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November Ballot Book

California JOURNAL

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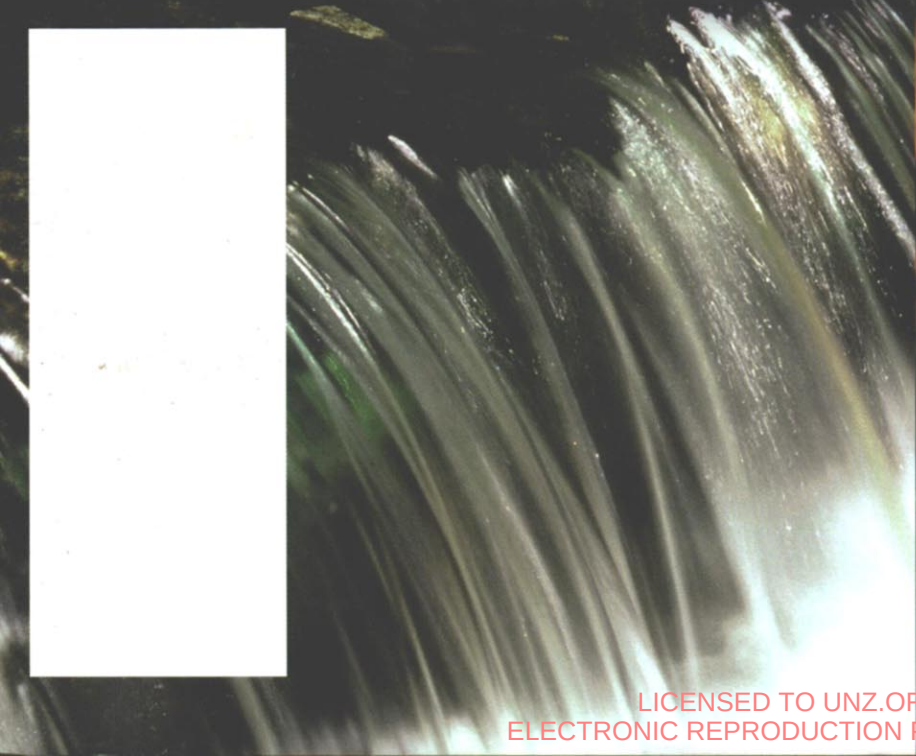
a blueprint for the nation



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California JOURNAL

Independent analysis of politics and government

SEPTEMBER 1998
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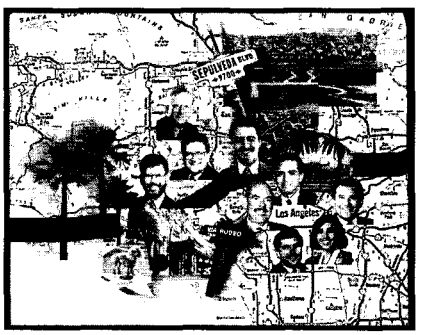

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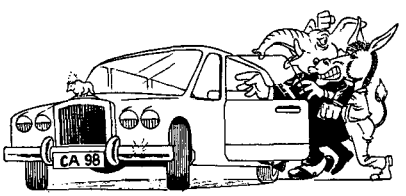

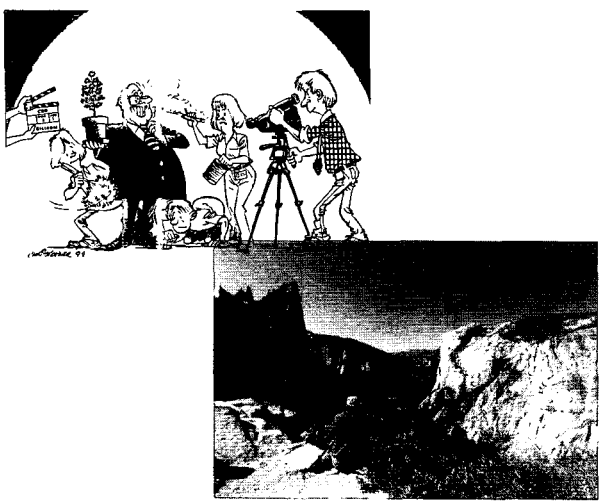

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Photography for the cover and inside article on Yosemite is by Dan Blackburn

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Upfront
umbrage

Clone home. When "Dolly" became the first cloned sheep, pundits warned of doomsday scenarios developing from this scientific breakthrough. Few could have predicted that cloning technology would find its way into the state budget process. But the evidence is there, tucked in among the trailer bills passed in conjunction with the budget. Some of the key expenditures in the budget are covered by multiple pieces of legislation, identical in every way save for the name of the author. One $50 million expenditure for after-school programs was covered by three different "clones." Not surprisingly, all three authors are involved in some kind of election fight this November. The proliferation of legislative "clones" is given as one explanation why the number of trailer bills ballooned in this year's budget — more than four dozen different measures were linked in one way or another to the budget. Now if they could only figure out a way to clone the revenue.

Lovely parting gifts. The Republican congressional leadership has once again blazed a new political trail. Normally, "hush money" is paid to buy silence. But the GOP leadership is paying it out to someone who won't keep still. In an act of appalling audacity, the House Oversight Committee, led by Representative Bill Thomas (R-Bakersfield), voted to pay former Representative Bob "I Was Robbed" Dornan $320,000 to "reimburse" Dornan for the cost of his vote-fraud challenge to Representative Loretta Sanchez (D-Garden Grove). That's $320,000 of *taxpayer* money. The committee also voted to pay Sanchez roughly $250,000 to defray the cost of defending the challenge, but while Sanchez used a separate account to pay for the defense, Dornan paid his bill out of campaign funds. Thus, the payoff essentially becomes a publicly subsidized $320,000 contribution to Dornan's campaign, and it comes only weeks after Dornan complained that his campaign account is nearly busted. So, GOP leadership that opposes campaign finance reform offers Dornan a gift of public funds for his campaign. A party that purports to value self-starters and self-reliance allows one of its ex-members to basically put his campaign on the public dole. And why Thomas would get involved in *anything* that helps Bob Dornan is a mystery. What, precisely, *is* reimbursable here? Research costs for harassing nuns? Earplugs for his campaign staff? Throat lozenges taken after screaming matches on the House floor? Memo to Thomas, *et al*: Here in the real world, the cost of making a fool of oneself is borne by the fool himself, not the public at large.

Fourth estate feud. Mark this item in the "what's good for the goose" category — a story of petty internal squabbling within, yes, the news media. Seems the California Newspaper Publishers Association was hot to climb onto the tax-cut bandwagon and had legislation moving to repeal the 1991 sales tax on daily newspapers. One small problem: A small cadre of weekly publishers was still hacked off at the dailies for trying to put them out of the legal advertising business. San Francisco *Independent* publisher Ted Fang was angry enough at the dailies that he convinced Senate President pro Tempore John Burton (D-San Francisco) to hold up the repeal legislation. But it seems Fang and his allies had their price — a little staff sinecure within the CNPA. The trade organization revived a dormant side group for the indies — the California Free Press Association — and gave them a staffer. In return for this little chicklet, Fang and his co-horts faxed a letter to Assemblyman Curt Pringle (R-Garden Grove) and Assembly Speaker Antonio Villaraigosa (D-Los Angeles) withdrawing their opposition to the repeal. In the letter, the group cites progress toward "addressing internal issues within our industry...." From all appearances, those "internal issues" have less to do with protecting free speech than protecting profits...and egos. But the fracas had its price. When the budget deal finally went down, the newspaper tax repeal somehow was left out.

Psychic friends. In the wake of its bankruptcy problems, many in Orange County wondered exactly what former Treasurer Robert Citron used to make his investment decisions. Well, now we know. In newly released court documents, Citron reveals that the source of some of his inspiration was a $4.50 astrology chart. The yearly chart was compiled by an Indianapolis astrologer, and, when combined with more traditional research sources, proved surprisingly accurate, according to Citron. And when he stopped using the charts, in 1993, the investment pool started to unwind. Now the notion that a public official would use star charts to help him make decisions is unusual but hardly unprecedented, especially in California. But perhaps more surprising was the news that Citron's pals on Wall Street knew what he was up to. And another thing: Shouldn't he have been supporting the local industry? Southern California is literally crawling with New Age crystal ticklers. Why did Citron feel compelled to buy a chart from an astrologer in Indiana? Nothing in the documents answer this burning question. But inquiring minds want to know.

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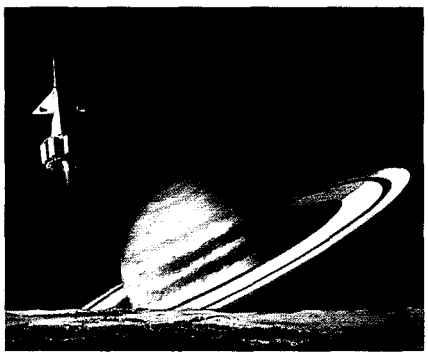
Governor Moonbeam? When this year's budget deal was finally initialled it wasn't long before the governor's press team had faxed out a tip sheet with the laundry list of tax breaks in the deal. Included on that list was this item: "Space Launch Exemption: The sales tax exemption for property used in space flights would be extended permanently and would apply to flights originating from anywhere in California." On behalf of all Californians hoping to "go where no one has gone before," all we can say is it's about time! Finally, the Force is with all those closeted aliens secretly repairing their vessels for the return voyage to their home planets. And all those Trekkers building soap-box *Enterprises* in their back yards are literally spinning backflips. Now they can pick up their "warp drive" engines, phaser rifles and communicator gizmos without the onerous black hand of government intrusion. Think we're being ridiculous? Think this isn't as "outer limits" as it sounds? Well how do you explain this. The next tax break on the news release was an expansion of Enterprise Zones. The message is clear: If George W. Bush expects to land the extraterrestrial vote in 2000, he's going to have to get past Pete Wilson first.



Too clubby by a mile. The U.S. Senate often is accused of being the world's most exclusive club, and you don't have to scratch very deep to find evidence that the accusation likely is true. According to *U.S. News & World Report*, membership in the club outweighs partisan considerations, not to mention the good of the country. Seems Senator Al D'Amato, the ferociously partisan New York Republican, has launched a probe into the relationship between Swiss banks and the Holocaust victims who placed their assets in those banks during World War II. D'Amato scheduled a hearing on the subject, and one of the witnesses called before his panel was Matt Fong. As California state treasurer, Fong has beat up those same Swiss banks because of the way the victims and their survivors and families have been stonewalled while trying to recover their assets. Last year, for instance, Fong withdrew some $2 billion in California deposits from those banks while becoming a vocal champion on behalf of the victims. But Fong is more than state treasurer these days; he also is the GOP nominee for the U.S. Senate, squaring off against incumbent Barbara Boxer — a ferociously partisan Democrat but a member of the club. Now, one would think D'Amato would want to give Fong a very public platform to air his experience on the subject. Think again. According to *U.S. News*, Boxer's staff whined and whimpered, and Fong's invitation to testify was withdrawn. Apparently, inviting a colleague's opponent to testify is a no-no — a violation of Senate etiquette, says the magazine. Never mind that Fong might have something useful to say; can't have him scoring political points with California Jews who, after all, form the very heart of a club member's constituency.

For the record. After the June primary ended, it seemed for all the world — as well as this publication — as though Assemblyman Tom Torlakson (D-Antioch) had escaped without any opposition — GOP or minor parties. But lurking below the radar screen was a Republican write-in candidate. By securing 1,600 primary votes, Antioch Councilman Allen Payton qualified as the winner of the Republican nomination, guaranteeing a spot on the November general election ballot. Payton filed as a write-in candidate after GOP recruitment efforts failed to yield a challenger to Torlakson. And what are his chances? Sorry, you'll have to wait until the *California Journal's* pre-election rundown next month.

"Power politics is the diplomatic name for the law of the jungle."
— Ely Culbertson

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Rostrum letters

History lesson

Assemblyman George House (R-Hughson) and the editors of *California Journal* seem about evenly matched when it comes to knowing history (see "Up Front," *CJ*, August 1998). The "Greek philosopher Polivius" you refer to was the great historian Polybius. Son of a leading Greek diplomat during the years when the Roman empire defeated the last independent Greek city-states and the remnants of Alexander the Great's Macedonian empire, Polybius urged policies that recognized the fact of Roman military supremacy. After the fall of the Achaean League, he served Rome and was present when Scipio burned Carthage in 146 B.C. Like Plato, Thucydides and Aristotle before him, Polybius was no great fan of democracy, but this was less a matter of worrying about "mob rule" than it was a function of his belief in the historical inevitability of the rise of the Roman empire. I hate to say it, but House may have a better grasp of American history than you do. From the time our constitution was framed, the idea that voting should be restricted to property holders was a legitimate viewpoint — read: John Adams and the Federalists; indeed it was the accepted position at first. That we Americans won an expanded franchise and transformed the nation into something closer to a true democracy was not the result of "unimaginable sacrifice" in wars but of sustained and bitter political struggles by Jacksonians, locofoco democrats, suffragettes, sons and daughters of slaves, and many other heroes of American democracy. Your breezy dismissal of House's political position is just whistling past the graveyard of American politics. We really once did achieve something like democracy in this country, but only by overcoming the ideas articulated by House. But now all we have left is the pretense of "democracy" that papers over a government utterly corrupted by the power of money. The scary question is whether the American people themselves have given up on democracy. Assemblyman House's talk is a symptom of something real. I wish I could say as much for the opining of *California Journal*.

WILLIAM PIETZ
Los Angeles

Schools and 'quakes

As a professional engineer, I am aghast at item two of contributing editor Lance Izumi's agenda (see *CJ*, August 1998). It is irresponsible to write that the Field Act "has created the maze of bureaucratic rules and which effectively prohibits schools from using available vacant public buildings" without also mentioning that this act has saved children's lives. California is earthquake country. Does Izumi have school age children and does he want them to come out of school alive after the next one hits? Is he prepared to help teachers evacuate a burning commercial building with exits designed for a much lower occupant density? Yes, the Field Act should be revisited, but not with an eye to cutting construction costs but to check whether its provisions are still adequate in light of earthquake experience since the 1930s. My criticisms of item two does not imply agreement or disagreement with any of the other nine items, but I know enough to restrict my words to an area of my competence.

GILBERT G. BENDIX
Engineer

John Walton

Your article on the "Faces of Education" (see *CJ*, June 1996) contained incorrect data about John Walton. He is not "planning another voucher for November 1998." You are correct in asserting that "one of his deepest interests is education reform." John has put his vouchers on hold and wants to invest in the public school system through the charter-schools program. In addition to the Taxpayers for Better Education PAC, he has the School Future Research Foundation and The American Education Reform Foundation. John Walton funds parent empowerment and provides technical assistance to educators who are starting charter schools. He also gives scholarships to deserving students. The educational leaders included in your article need to address the poor performance of the urban school system. When I worked with the education community to defeat Proposition 174, it was shattering to hear the horror stories of inner-city parents who wanted anything over the status quo. Some of these organizations indicated then that if the community voted against the voucher, they would subsequently lead the campaign to improve urban children's educational opportunities. I have seen no evidence occurring for these forgotten children. So I feel privileged to have the opportunity to work with John Walton and his executive, Gene Ruffin, on behalf of these children. We want to expand charter schools in poor-performing districts that have a majority of low-achieving students. The foundations will help the citizens of the community set up and run a quality school. The children we are focusing on are a majority minority. Ninety-nine percent of the "faces of education" in your article don't match those of the children. That does not excuse this elite leadership, however. They, too, should be ashamed of the plight of urban students. They should welcome John Walton's assistance and join him in his mission.

ALICE HUFFMAN
Sacramento

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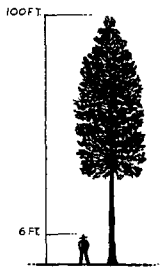
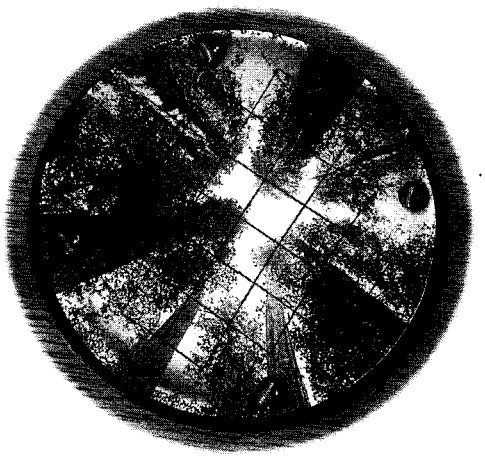


The average Californian consumes the equivalent of a 100-foot tree every year. By 2020, it's estimated the demand for wood products will increase by 50%.

Foresters leave wide areas of trees alongside streams and rivers to protect the quality of the water and to improve habitat for fish.



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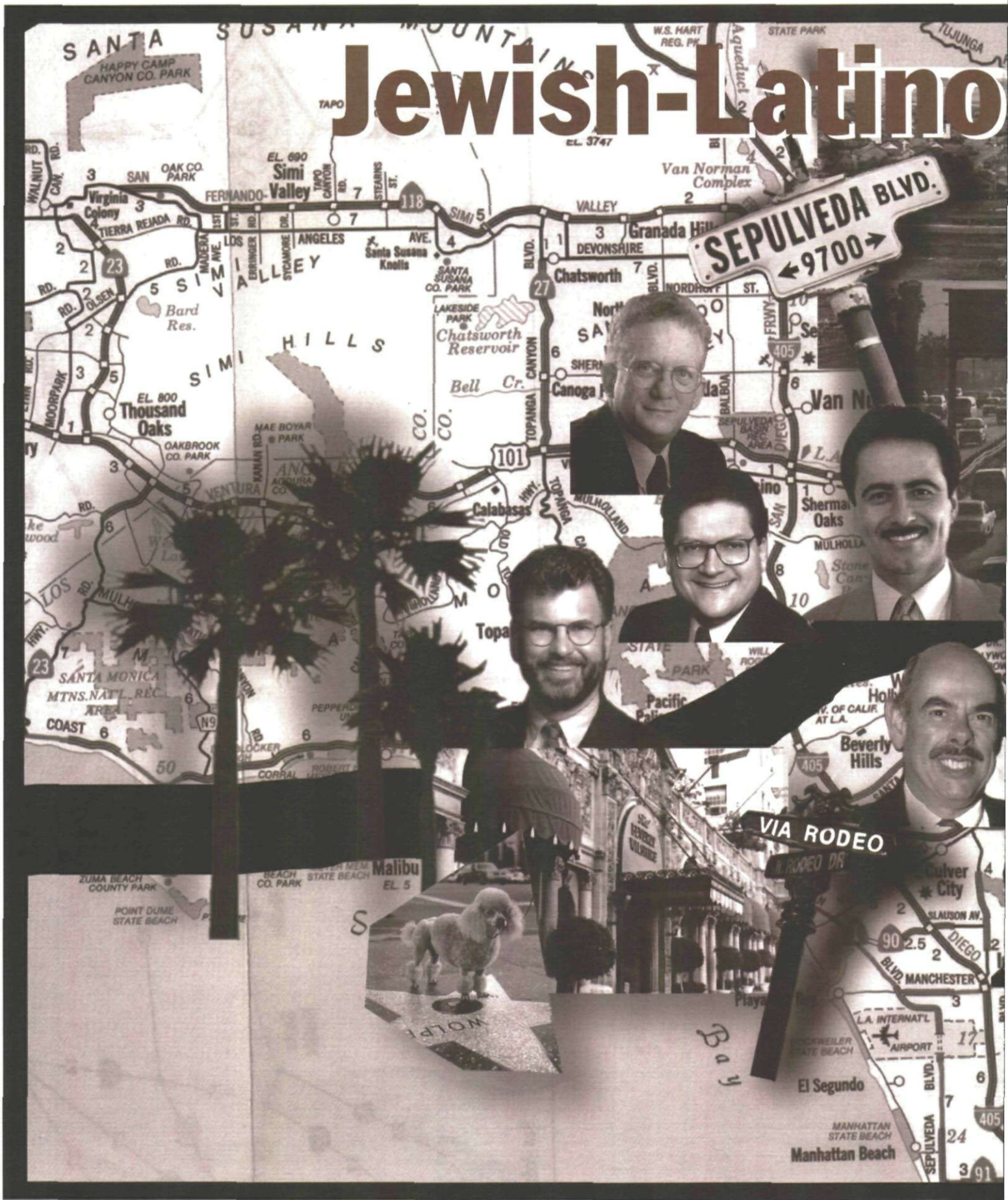

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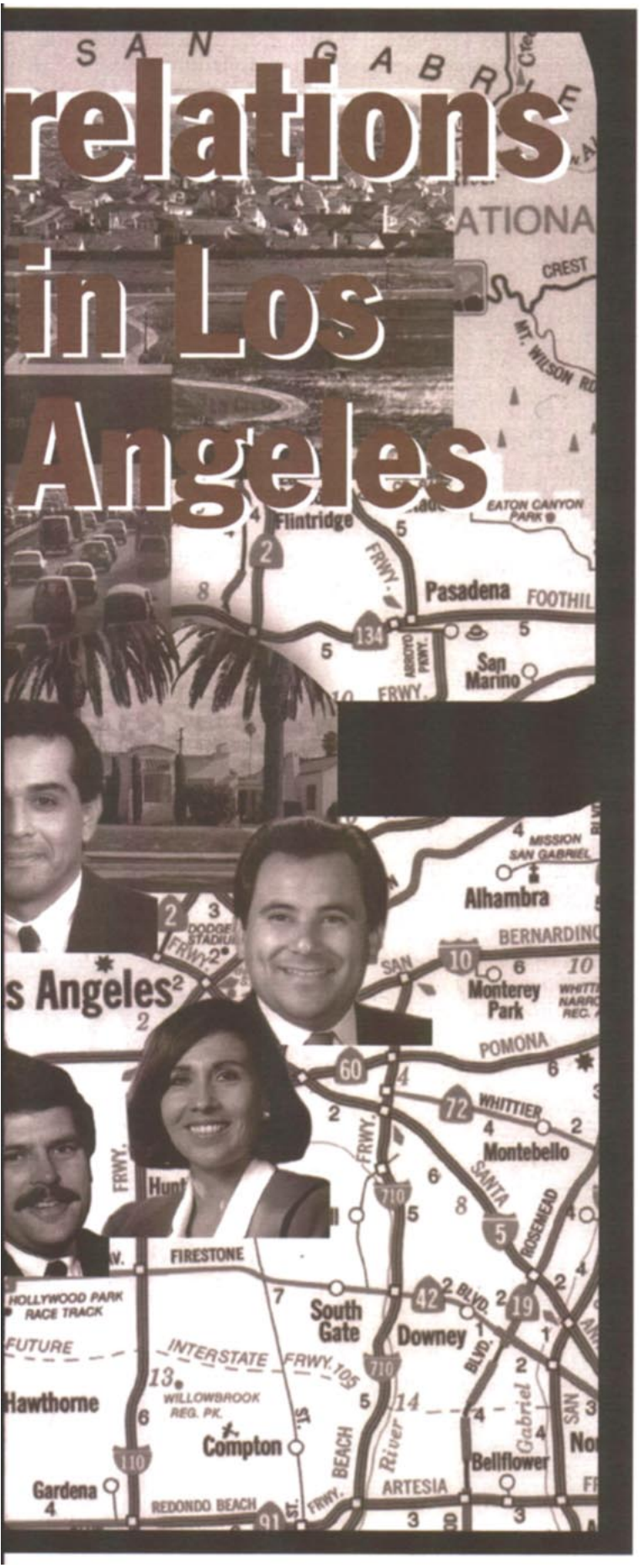

The Democratic primary in Los Angeles' 20th state Senate District produced one of the closest victories in modern California politics for City Councilman Richard Alarcon. But it also produced more than a few misconceptions about what really happened during — and after — a campaign portrayed as fraught with racial overtones.

by Sherry Bebitch Jeffe

Los Angeles politics, said a City Hall veteran, is about "the ceaseless competition for limited resources." Such competition is at the root of political conflict; at its best, it can give the political system vibrancy, responsiveness and a chance at representativeness. At its worst, it can tear apart the political and social fabric.

The fallout from the recent Democratic battle for the

Contributing editor Sherry Bebitch Jeffe, a professor at the Claremont Graduate School, is a nationally recognized political commentator. Comments on this story may be e-mailed c/o editor@statenet.com.

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20th state Senate District, pitting Los Angeles City Councilman Richard Alarcon against former state Assemblyman Richard Katz (see *CJ*, August 1998), has reminded Los Angeles leaders that how this competition is waged has implications for the future of Los Angeles politics and the distribution of power among its citizens. That's the gist of a series of interviews with several analysts and Latino and Jewish community leaders who stood, by and large, outside the Katz-Alarcon fray (most of whom preferred that their candor be off the record).

Throughout the campaign, the media framed the race as "racial politics," at the expense of more comprehensive coverage. Charges of "race-baiting" and "racially offensive" tactics flew back and forth between the candidates and their campaigns. And press and pundits decried the tensions between Jews and Latinos that the charged campaign for the San Fernando Valley seat and Alarcon's razor-thin victory appeared to lay bare.

In the wake of the Katz-Alarcon race, a series of private meetings between Jewish and Latino leaders were held. They helped "to diffuse" anxieties.

— Carmen Warshcaw
Jewish community leader

There is no denying an ethnic component to the fallout from the Alarcon-Katz campaign. Racism has always been a subtext of California politics. But in the multicultural, multi-ethnic cauldron of Los Angeles, race is only one — albeit a powerful — element shaping local politics. Class, geography, demography, ideology and the ultimate prize of political power all drive conflict in a system that is, by nature and structure, adversarial.

A dispute over the gargantuan L.A. County-USC Medical Center has pitted four of the five L.A. county supervisors, led by Zev Yaroslavsky — who represents the Westside and San Fernando Valley home of L.A.'s Jewish power base — and conservative GOP supervisor Mike Antonovich, against Eastside Supervisor Gloria Molina and the large and increasingly powerful contingent of Latino state legislators — including Angelenos Richard Polanco (D-Los Angeles), the Senate majority leader, and Assembly Speaker Antonio Villaraigosa (D-Mount Washington).

The supervisors voted, over the objections of Molina and the Sacramento coalition, to replace County-USC — described by the *Los Angeles Times* as "the linchpin for the public health system in the largely Latino Eastside" — with a smaller, 600-bed hospital. Latino legislators demanded a 750-bed facility to serve their constituents and threatened to use their power to control state aid to the counties to bring the supervisors around. However, to call this fight purely "ethnic politics" is simplistic. Tension between the county and Sacramento on funding issues is nothing new. It reflects the dependence of California counties on state government since the passage of Proposition 13 in 1978.

Problems plaguing the Metropolitan Transit Authority have exacerbated dissension between Eastside politicians, representing poor, public-transit dependent constituencies, and others who represent more affluent — and tax-sensitive — areas. The latest volley in "a nasty cross-town political fight" over subway funding is an initiative qualified for the November ballot by Yaroslavsky. His proposal would bar the use of sales-tax revenue to build subways beyond North Hollywood.

Molina bitterly opposes the initiative, which would preclude a long-sought extension into her heavily Latino district. Other powerful Latino politicians have lined up behind her. They include Congressmen Esteban Torres, an influential member of the House transportation subcommittee, and Xavier Becerra, who has threatened to cut off MTA's federal funding if no money can be found for public transit for the Eastside.

"Here," observed Harry Pachon of the Tomas Rivera Policy Institute, "is where ethnicity and place overlap." The perception of geographic fights between L.A.'s Eastside and Westside as simply ethnic battles between Latinos and Jews will disappear, Pachon said, as Latinos move into the San Fernando Valley. "Distance is shrinking. [There is] not going to be an Eastside/Westside split any more. 'Them' is 'us' in the next century."

A recent examination of long-term population trends in Los Angeles County by the Tomas Rivera Policy Institute found that — projected to 2025 — the "already large Hispanic population (41.5 percent of county residents in 1995) should grow twice as fast as the Asian and 10 times as fast as the black populations, while the Anglo population actually declines substantially." Latinos will then account for 56 percent of L.A. County.

There also are indications of a new form of "white flight" from Los Angeles. A 1997 survey by the Jewish Federation of Greater Los Angeles shows the Jewish population continuing to shift west to Ventura County and into Los Angeles County's South Bay areas. These trends will have implications for the next reapportionment of district boundaries.

Pachon points out, "The Jewish-American population's median age is the oldest" of any population group; "Latino's the youngest ... Young Latinos (18 to 24 years old), are voting at the same rate as young Anglos ... Beginning in the next decade" that will mean "a real power shift."

Term limits may have accelerated the inevitable confrontation between Jews and Latinos. Coupled with a burgeoning Latino electorate, politicized by opposition to Propositions 187 and 209, term limits increased Latinos' clout more quickly than most expected. That, said one observer, has led to a "delirious sense of power." And, he added, "frustrated anger turned into victory can be dangerous."

So can a sense of power lost. One prominent Jewish activist put the problem bluntly: "Jews are freaked out about losing power; Latinos believe that Jews are freaking out

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about having to give up power."

In the wake of the Katz-Alarcon race, a series of private meetings between Jewish and Latino leaders were held. They helped "to diffuse" anxieties, said Carmen Warshcaw, former chair of the Jewish Community Relations Committee. Such Latino-Jewish dialogues are not new; they go back to the '70s, Pachon indicated. Neither are Jewish-Latino political coalitions.

In 1949 a Jewish-Latino political alliance helped elect former Congressman Ed Roybal as the first Latino member of the L.A. City Council. More recently, relationships developed between Jewish and Hispanic women through the women's movement were instrumental in the political career of Gloria Molina.

Los Angeles Mayor Richard Riordan, a Republican, was elected by reaching beyond his narrow base to Latino and Jewish voters. According to *Los Angeles Times* exit polling, he won the support of 43 percent of Latino voters and 49 percent of Jewish voters in the June 1993 runoff against Democratic City Councilman Mike Woo. In 1997, incumbent Riordan augmented his support among both Latinos (60 percent) and Jews (70 percent) against state Senator Tom Hayden (D-Santa Monica) — who represents parts of the city's Westside and San Fernando Valley.

This year, Riordan's endorsement of Alarcon in the Valley Senate race helped the councilman among Anglo voters. Speaker Villaraigosa's "non-endorsement" in that race was motivated, in part, by a similar need to reach out beyond his Latino base should he run for mayor of Los Angeles in 2001. "Villaraigosa," insisted one major Westside Democrat, "doesn't want any problem with the Jewish community."

Yaroslavsky has also been discussed as a candidate for mayor, but speculation is that his stance on the subway could hurt him. "If he wants to be mayor," Representative Lucille Roybal-Allard (D-Los Angeles) told the *Times*, "I think he has to realize he can't win only with Westside and Valley support. He cannot afford to lose the Latino vote, which is going to be critical in any election for mayor."

Coalitions have long been the currency of Los Angeles politics. Perhaps the most significant was an alliance between black and Jewish voters that elected Tom Bradley L.A.'s first black mayor in 1973, and went on to dominate city politics for two decades. There are lessons for both Latino and Jewish leaders in the once-successful "Bradley coalition." A shared history and common experiences in the civil-rights movement made coalition-building between Jews and blacks easier Jews and Latinos, observed one Jewish leader, share "no battles, no stories, no long relationship, no romances, no familiarity." A Latino analyst agreed that "the history of both communities is not known by the other community."

But analysts see commonalities. Jews and Latinos share experiences as outsiders. There are comparisons to be made, some argue, between anti-Semitism and the recent anti-immigration fervor.

In politics, demography is destiny. So is wealth. Latinos increasingly have numbers on their side, but Jews continue to wield political power because they are high-propensity voters and prodigious campaign contributors. In addition, Jews will remain disproportionately representative as L.A.'s cultural and economic elites. They are among the city's "haves" that determine elections and largely define the city's policy priorities.

Nonetheless, the city's emerging political calculus may mean, said one observer, that, "because of the burgeoning Latino vote," 2001 will provide "the last opportunity for the Jewish community to elect a mayor who is Jewish."

And then?

The saga of La Serenata de Garibaldi could well be a metaphor for the evolution of Los Angeles politics. La Serenata is a restaurant that is rooted in the Eastside's Boyle Heights, the heart of the city's Latino community. It was once the heart of the city's Jewish community — before its prospering members moved west and were replaced by newer immigrants (and whose "Main Street," Brooklyn Avenue, has been renamed Cesar Chavez Boulevard). Now La Serenata has moved, too, opening branches on L.A.'s Westside, where a predominantly Jewish clientele happily wolfs down arguably the best and most authentic Mexican seafood in the city.

That doesn't mean the future of Los Angeles lies in gefilte fish tacos. But "Accommodation works," is the message of La Serenata. And it can work politically, too. Pachon talks of the benefits of combining the resources of both the Jewish and Latino communities — meshing the votes of "young, energetic Latinos" with the political capital of L.A.'s "established Jewish leadership. The two together," Pachon insists, "would really be awesome."

That presents a model of Latino-Jewish relations more positive — and no less possible as a political reality — than the negative example the Katz-Alarcon race has come to symbolize.

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Late

Deficit or surplus, month-late budgets are the standard. What gives?

by Steve Scott

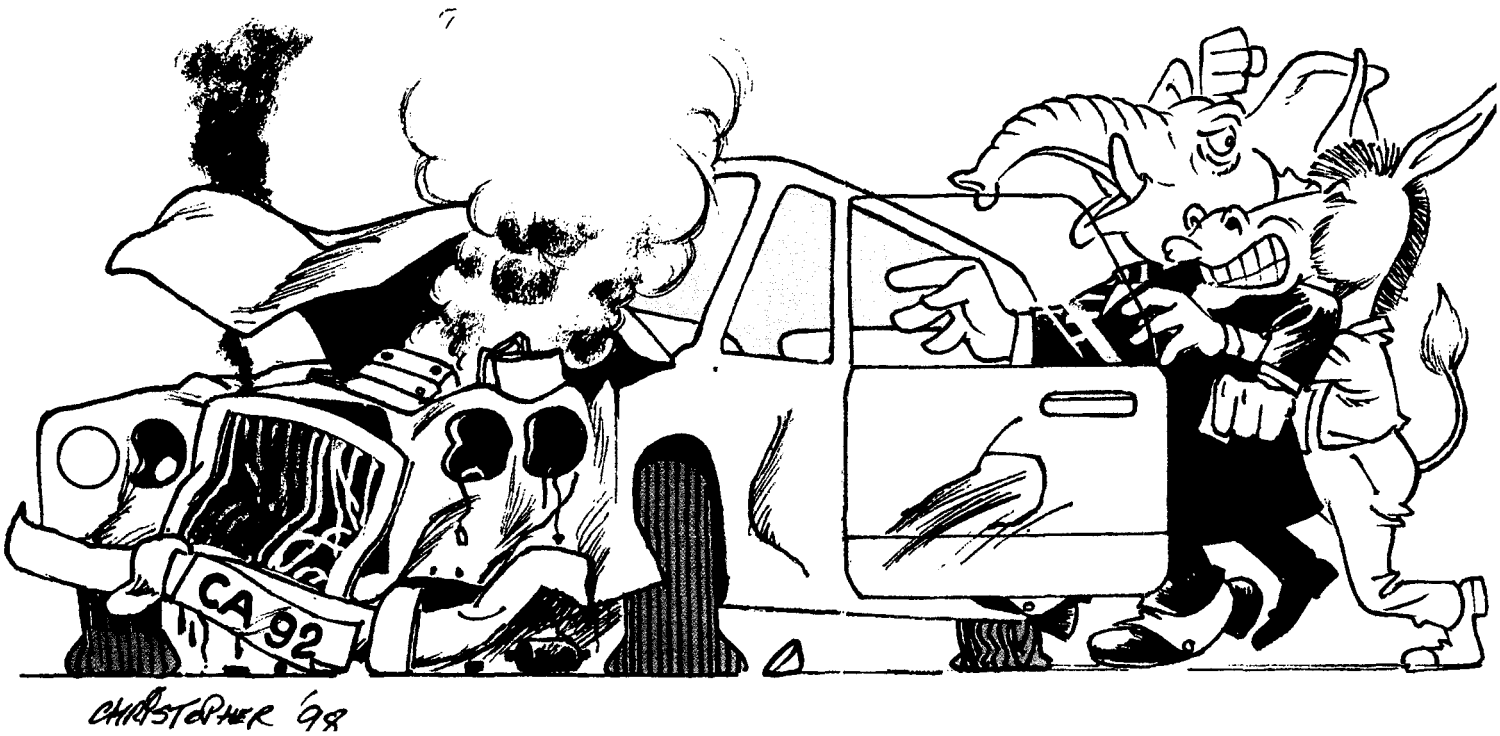

Illustration by Christopher

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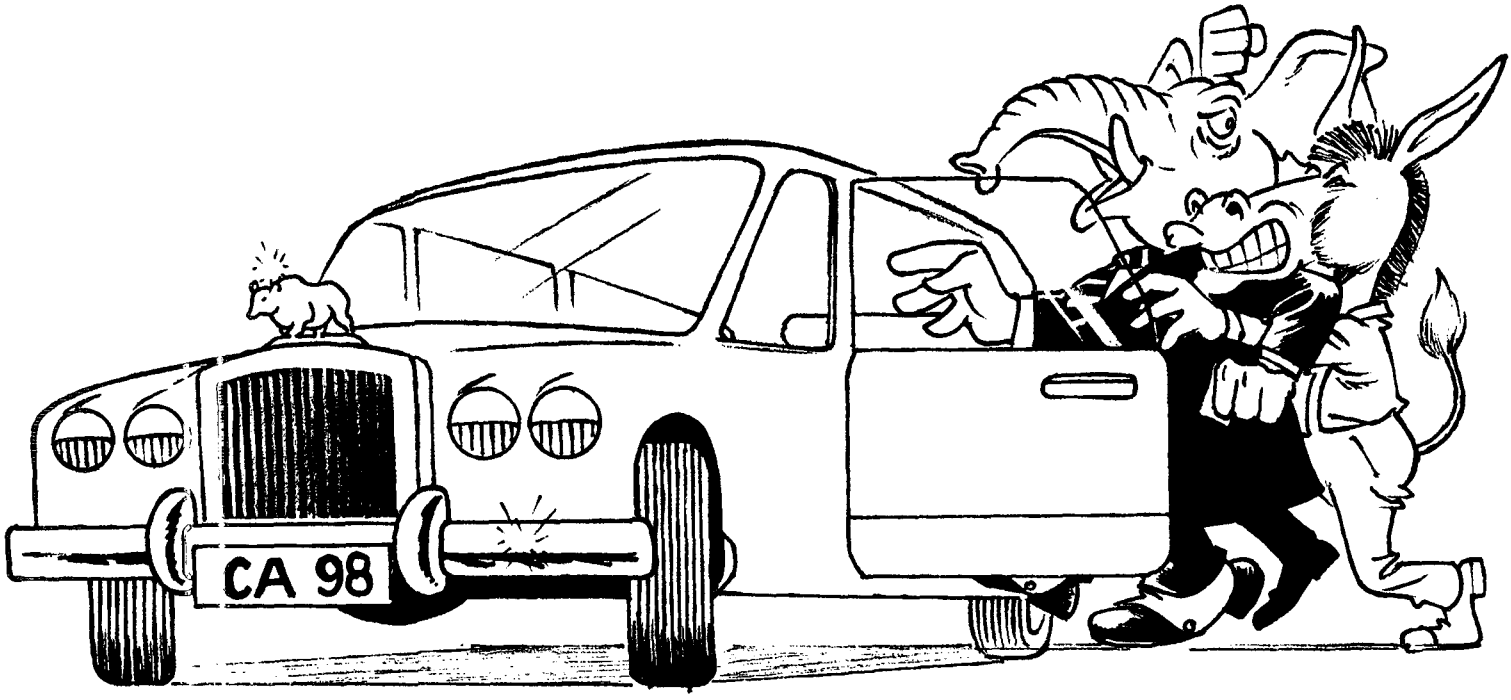
again?

Anyone who has spent time around the state Capitol, or read newspaper columns written by those who do, has come across the old cliche: No matter what the state's fiscal condition, the budget won't be finished until the temperature reaches 100 degrees. Well, in 1998, the bar has been raised.

From now on, it seems the temperature will need to reach 110.

On the same week the mercury climbed to record highs, things finally cooled off in the state Capitol. In early August, Governor Pete Wilson and legislative leaders put the final touches on outstanding issues in this year's $76.5 billion budget. The deal includes a $1.4 billion cut in the vehicle license fee (the car tax), the issue at the heart of this year's impasse (see story, page 16). It also includes sundry other tax breaks, including the revival of a portion of the long-suspended renters tax credit.

In addition to the tax provisions, the budget also calls for



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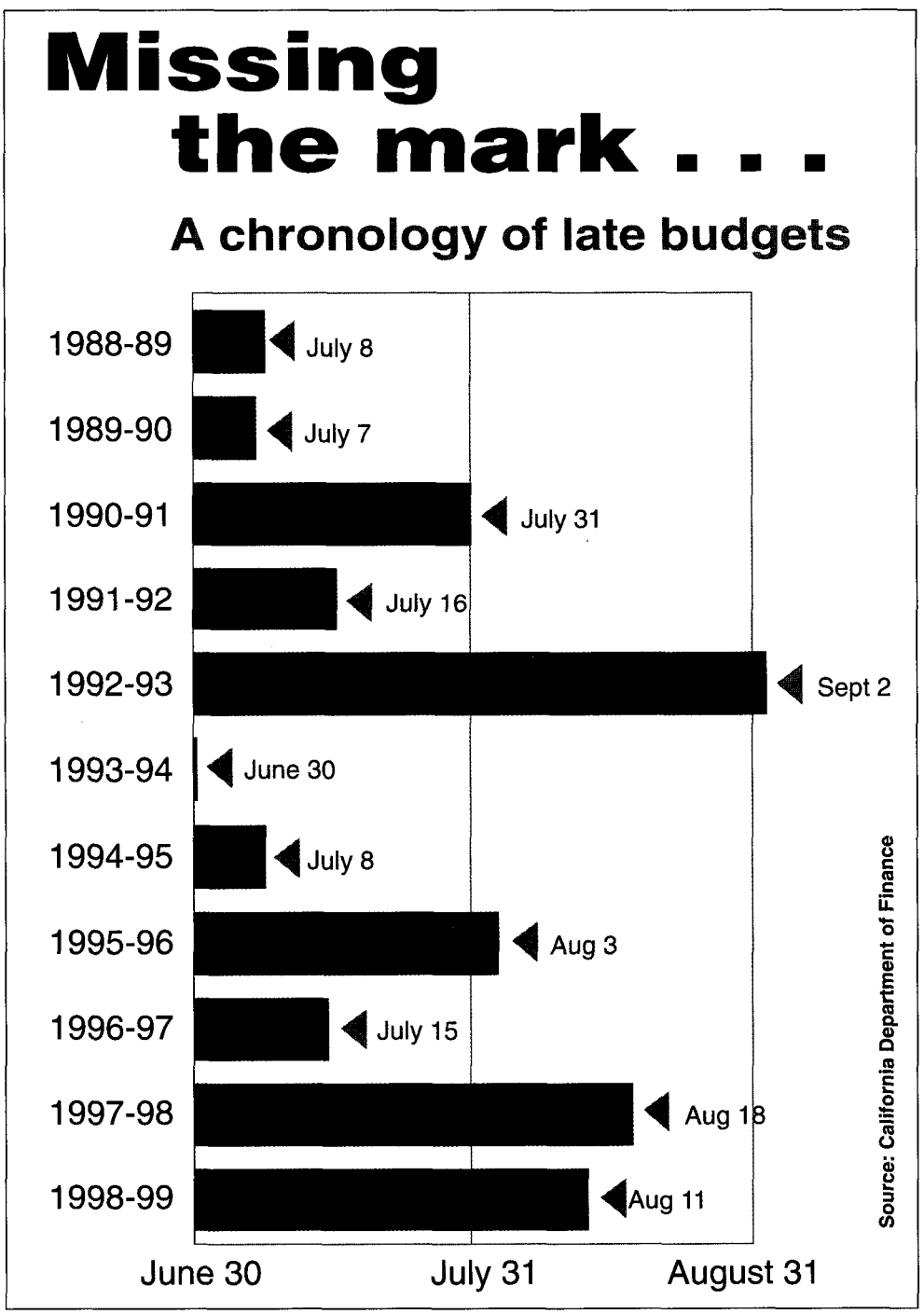
sizable boosts in new spending, especially for education. Education funding would exceed the Proposition 98 minimum guarantee by roughly $800 million, though it is expected Wilson will pare it back closer to $500 million. The deal also breaks with the recent past by allocating a sizable 7.9 percent increase to welfare recipients under the CalWORKS program.

"There's something in it for everyone," said Senate President pro Tempore John Burton (D-San Francisco), uttering the second-hoariest Capitol budget cliche.

The fact that it took more than a month to work out the details of the budget runs counter to many of the early predictions that accompanied Wilson's initial January budget proposal. The projected budget surplus — which started at $1 billion and grew in May to $4.4 billion — figured to make the budget talks far smoother than those that accompanied the monstrous shortfalls of the early 1990s.

But, it turns out timeliness is no more easily attained in boom years than it was during the hard times. Four of the eight Wilson-era budgets dragged into August before being resolved. Only one Wilson budget was signed on time — the 1993-94 budget, signed into law on June 30. The longest impasse in history came in 1992, when the state had a $8 billion deficit. The second-longest came in 1997, when the state had a two-year surplus of nearly $3.5 billion.

If, as it appears, delay is not a function of prosperity — or lack thereof — then why does it happen? Why is it that a budget with so much room for growth brings forth the same water-torture as budgets with painful cuts? And is there a magic bullet that can pierce the partisan body armor that seems to encase the legislative caucuses for months every summer?



Opinions on this subject are like legislative pork-barrel projects — everybody's got one. The most common explanation for why things drag on is that there is no concrete consequence for inaction. Even without a budget, the state's bills get paid, legislators continue to collect salary and per diem, and the worst that happens is that lawmakers miss a few weeks of vacation time.

"In 1983, there was pressure [from within the Legislature] to pass a budget," said Fred Silva, former state Senate budget guru and current visiting scholar with the Public Policy Institute of California. "Now, the attitude is, 'We've learned, we've adapted, so what's the risk?'"

Those subscribing to this view got some evidence to support them in late July. That's when state Superior Court Judge Robert O'Brien ruled the state had no statutory authority to pay its workers or its bills without a state budget. The ruling temporarily set aside a series of previous court decisions that had authorized the state to continue making payments even when there was no budget. Although the decision was appealed and ultimately set aside, its effect on the Legislature was immediate. Lawmakers quickly cobbled together an $18 billion stopgap spending bill, and the ruling is seen as helping get the stalled talks off dead center.

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Leonard

Burton

Wilson

Villaraigosa

While the "lack of consequences" theory seems to be the most prevalent, legislators who have been involved in budget talks offer different views on why things don't seem to move more quickly. Senator Jim Brulte (R-Rancho Cucamonga), who negotiated several budgets as the Assembly Republican leader, believes it's a function of the size of the decisions that need to be made. The bigger the decisions, the longer it takes to resolve them. Brulte says the lack of any huge fiscal oddity on one side or the other is the main reason why the 1993-94 budget — which he helped negotiate — came in on time.

"When you have a lot of cuts or a lot of revenue, and big decisions to make, it gets tougher," said Brulte. "You're not just tinkering around the edges. You're making fundamental change."

Former Senate President pro Tempore Bill Lockyer (D-Hayward) also sees an influence of term limits in the apparent institutionalization of delay — not so much in the effect on the average legislator, but rather on how it impacts the experience of leadership. "The more the key negotiators know about the issues and each other, the more likely it is to get quicker results," said Lockyer. "Under term limits there is a lack of the relationship foundations and a lack of the knowledge foundation."

Those who are part of the term limit generation are, for the most part, dismissive of this view. Many Democrats believe the delay is simply a function of the governor's intransigence. "When the governor decides something, we're going to be here until God knows when [until he's mollified]," said Assemblywoman Valerie Brown (D-Sonoma). Assemblywoman Carole Migden (D-San Francisco), who sat on the two-house budget conference committee, said there's no evidence to suggest the legislative committees have been any less effective in resolving budget issues post-term limits than they were before. Rather, she says, the delays are a function of what political maneuvers take place at the leadership level.

"A lot of it has to do with the governor and his sense of timing," said Migden. "He doesn't usually even want to sit down until much later in the process. All we 'second stringers' can do is wait for a budget resolution."

Some term-limit babies argue the real enemy of timeliness is the rise in prominence of the "Big Five" — the ever-more-institutionalized negotiating group that includes the governor and the four legislative caucus leaders. This system, they contend, virtually excludes the rank and file from being a part of the real budget decisions, guaranteeing many more bumps along the road.

"It's time to abolish the 'Big Five,'" said Assemblyman Mike Machado (D-Stockton). "If the governor doesn't like what the Legislature does, he should be open about it. And we [in the Legislature] shouldn't be forced to act like adolescents waiting to be told what to do."

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Those closer to the inner circle, though, contend the "Big Five" has, by and large, helped keep the delays from going longer. They argue that what makes the "Big Five" necessary are not the institutional barriers but the philosophical differences. "The philosophical gap between Republicans and Democrats is perhaps greater than at any time during the century," said Lockyer. "The budget fights are not fiscal battles, but disagreements about philosophy." Lockyer, too, has some evidence on his side. Lawmakers in both parties echo the call of Assembly GOP Leader Bill Leonard (R-Rancho Cucamonga), who believes that "a good budget" is more important than one on time. "I'd rather have a budget we can be proud of than be overconcerned with timeliness," said Migden. Given that Migden and Leonard are nearly polar opposites, the longer each holds out for her or his version of a "good budget," the longer it takes to reach consensus.

"Philosophical differences have become more important," said Silva. "The drive toward the center has lots of barricades."

So what's the antidote to chronic budget logjam syndrome? Well, proponents of the "no consequences" theory have any number of fixes, from a forfeiture of pay and per diem to shutting off the air conditioning in the Assembly chambers. In Silva's view, though, the quickest way to snap the process into shape is to enshrine in law what Judge O'Brien attempted to do by judicial fiat. "It's very simple," said Silva. "No budget — the world stops." Former Assembly Speaker Curt Pringle (R-Garden Grove), another ex-budget negotiator, believes the court ruling proved such a policy can have a dramatic influence on the pace of the budget.

"It creates consequences," said Pringle. "People on welfare don't get food. Workers don't get paid. Neither party wants to see that."

If, however, the problem is more one of philosophy, even a hard deadline is not likely to bring the budget process back onto the clock. Ultimately, therefore, the real path to fiscal punctuality could be the reawakening of an ethos that recognizes the symbolic importance of getting business done on time.

"The government ought to work," said Silva. "People need to see the processes of government functioning. If the Legislature's job is to appropriate funds, and the governor administers, doing so shows that the world works."

Comments on Political Editor Steve Scott's budget story may be e-mailed c/o steves@statenet.com.

Trigger Happy

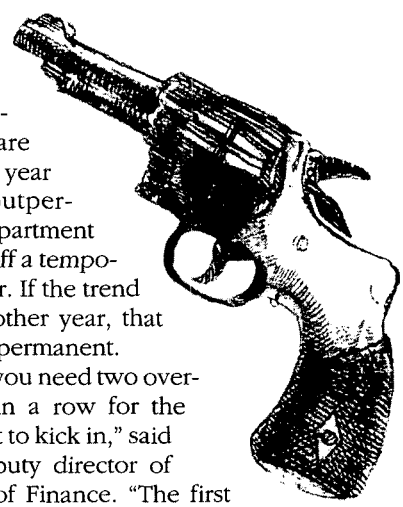
One of the ways state lawmakers have typically slid around tough budget decisions is to cut deals that hinge upon so-called triggers — automated formulas that determine when and at what level new programs will take effect. This year, budget negotiators in Sacramento got trigger happy in devising a reduction in the state's car tax and future increases in state welfare grants.

The state's 1998-99 budget guarantees a 7.9 percent grant increase for state welfare recipients, as well as $1.4 billion in total tax cuts. The bulk of the tax savings comes from a 25 percent cut in the state vehicle license fee, or car tax. But the Legislature also put into statute a series of economic hypotheticals that could cut the car tax by as much as 67.5 percent, or $3.6 billion, by 2004, and guarantee future grant increases for people on welfare.

But to get the full $3.6 billion cut, the economy will have to set off more triggers than the Earps and Clantons did at OK Corral. It must outperform long-range economic forecasts made by the Department of Finance this year. In order to get the full 67.5 percent car tax in 2004, the state must have $74.8 billion in the kitty. Current Department of Finance projections estimate there will be $71.1 billion.

"It's an insurance policy," said Senate President pro Tempore John Burton (D-San Francisco), one of the key architects of the deal. "If the revenues aren't there, you don't get a tax cut. It's that simple."

Along the way, car owners could see a gradual 10 percent annual cut in their car tax if certain economic triggers are reached. The first year the economy outperforms finance department estimates, it sets off a temporary tax cut trigger. If the trend continues for another year, that tax cut becomes permanent.



"Essentially, you need two overachieving years in a row for the permanent tax cut to kick in," said H.D. Palmer, deputy director of the Department of Finance. "The first year you get a temporary tax cut; the second year, it becomes permanent."

But car owners aren't the only ones banking on the continuing meteoric rise of the state's economy. The future of welfare recipients is now linked to the same triggers as the car tax. If a car tax trigger level is reached, CalWORKS recipients will receive an annual cost-of-living adjustment, or COLA. If the trigger levels are not reached, both the car tax and welfare grant levels will be frozen.

"That's proof that Senator Burton thinks our numbers are right," said Wilson spokesman Ron Low. "He's linked the future of welfare, which is something he cares a lot about, to these same triggers."

— Anthony York

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California

As more corporations become environmentally sensitive — or face consumer boycotts over their lack of sensitivity — some environmental consultants are urging businesses big and small to pattern themselves after Mother Nature.

By Peter Asmus

They were hardly the best of friends.

The San Francisco-based Rainforest Action Network (RAN) ranks among the most proficient of environmental groups engaged in consumer boycotts, and its executive director was a pal of the late Edward Abbey, the renegade author who popularized "monkey-wrenching" and other forms of eco-terrorism.

Mitsubishi Corporation (MC), one among a family of companies that *Fortune* Magazine deemed the world's largest business empire, has been described "one of the largest corporate destroyers of the world's forests."

Yet despite intense political and cultural differences, RAN and two other members of the Mitsubishi corporate

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Peter Asmus is a freelance writer from Sacramento and the co-author of "Reinventing Electric Utilities."

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family headquartered in Cypress, California, announced an agreement this past spring designed to prove that making money — and saving rainforests — can go hand-in-hand. RAN launched its "Boycott Mitsubishi Campaign" in 1990 based on MC's 40 percent ownership of a company that held the controversial logging concession on Borneo. RAN rallied activists worldwide to boycott all Mitsubishi products and services. But the management of Mitsubishi Electric of America (MEA) and Mitsubishi Motor Sales of America (MMSA) viewed themselves as distinct business units whose environmental credentials were being damaged by the boycott.

"We have no timber holdings. We make no forest products. We've been separate from MC since 1946 — not subsidiaries, not divisions — separate," complained Tachi Kiuchi, current managing director of Mitsubishi Electric Corporation and former head of MEA.

When Kiuchi complained to Randy Hayes, RAN's executive director, about the boycott, an animated dialogue ensued that ultimately led to the idea that in order to save rainforests, corporations should mimic the management acumen of a rainforest.

RAN will continue to boycott the larger Mitsubishi Corporation's forestry practices, as well as other Mitsubishi companies. But it will also work with MEA and MMSA to phase out all wood products of any kind by 2002. The agreement also funds a number of forest reserves that protect indigenous human communities. It also allows purchasers of MMSA's "Montero LS" cars to pay into a fund earmarked to preserve enough rainforest to offset the carbon in their tailpipe emissions over the life of their new car — a one-of-a-kind opportunity for consumers to take personal responsibility to help slow global warming.

The key concept that brought radical environmentalists from San Francisco and serene Japanese corporate executives together was The Natural Step (TNS), one of a growing list of increasingly popular corporate environmental management tools to fall under the rubric of "industrial ecology." The basic premise of TNS is that corporations can, like a complex natural ecosystem, use raw materials so efficiently that tiny bits can do the job with virtually no waste.

The value of TNS is best illustrated by the controversy over the gasoline additive MTBE (methyl tertiary butyl ether). According to Susan Burns, president of Oakland-based Natural Strategies, MTBE is a clear example of how ARCO was not integrating an industrial ecology approach to environmental management. Despite its touted successes in marketing an environmentally-friendly brand of gasoline, MTBE is now implicated in widespread groundwater contamination in California. This suspected carcinogen moves faster, and degrades slower, than most other components of motor fuel.

If ARCO had recognized the fundamental principles at the foundation of TNS, it would have recognized that MTBE is a human-made substance that does not break down in nature and disperses quickly, noted Burns. "The TNS model reminds us that persistent chemicals do not disappear, but will increase in the biosphere as long as we continue to produce them, no matter how carefully they are handled," summed up Burns.

Bill Shireman is president of Global Futures of Sacramento, a think tank dedicated to sustainable business development. Shireman helped shepherd California's landmark "bottle bill" through the California Legislature in the late 1980s and helped mediate the RAN agreement with the Mitsubishi companies. He is a firm believer that Mother Nature knows best. "Over 90 percent of all of the material resources used by the U.S. economy become waste," he states. While nature might not be that much more efficient — ecologists have long held that when a bug eats a leaf only about 10 percent of the energy or calories contained in the leaf end up in the bug — it still does a better job than the human economy. What is not converted to food for the bug is not lost. It is still utilized as a resource by other living creatures in the ecosystem.

"Nature's assembly line isn't linear because it isn't designed to simply deliver calories in the most efficient manner possible," Shireman continued. "Every unit of energy 'wasted' at one level of the food chain remains to be recycled and is available to other natural processes." What often occurs in nature are innovative designs that take advantage of relationships with a complex web of other natural systems and processes, said Shireman. And what works in nature can work in the private sector, as one company's waste becomes another's feedstock.

A growing number of California consultants such as Burns and Shireman are preaching the message of "industrial ecology" here and elsewhere. And despite its seemingly wacky premise — that businesses should (and can) copy nature — over 200 companies worldwide have subscribed to TNS, of which about 30 companies are located in the U.S. Many of the consultants promoting TNS and other industrial ecology management tools are located in California; most domestic companies that have adopted TNS are not.

Still, California does have its success stories. For example, Allergan of Irvine, a pharmaceutical firm best known

Continued on page 22

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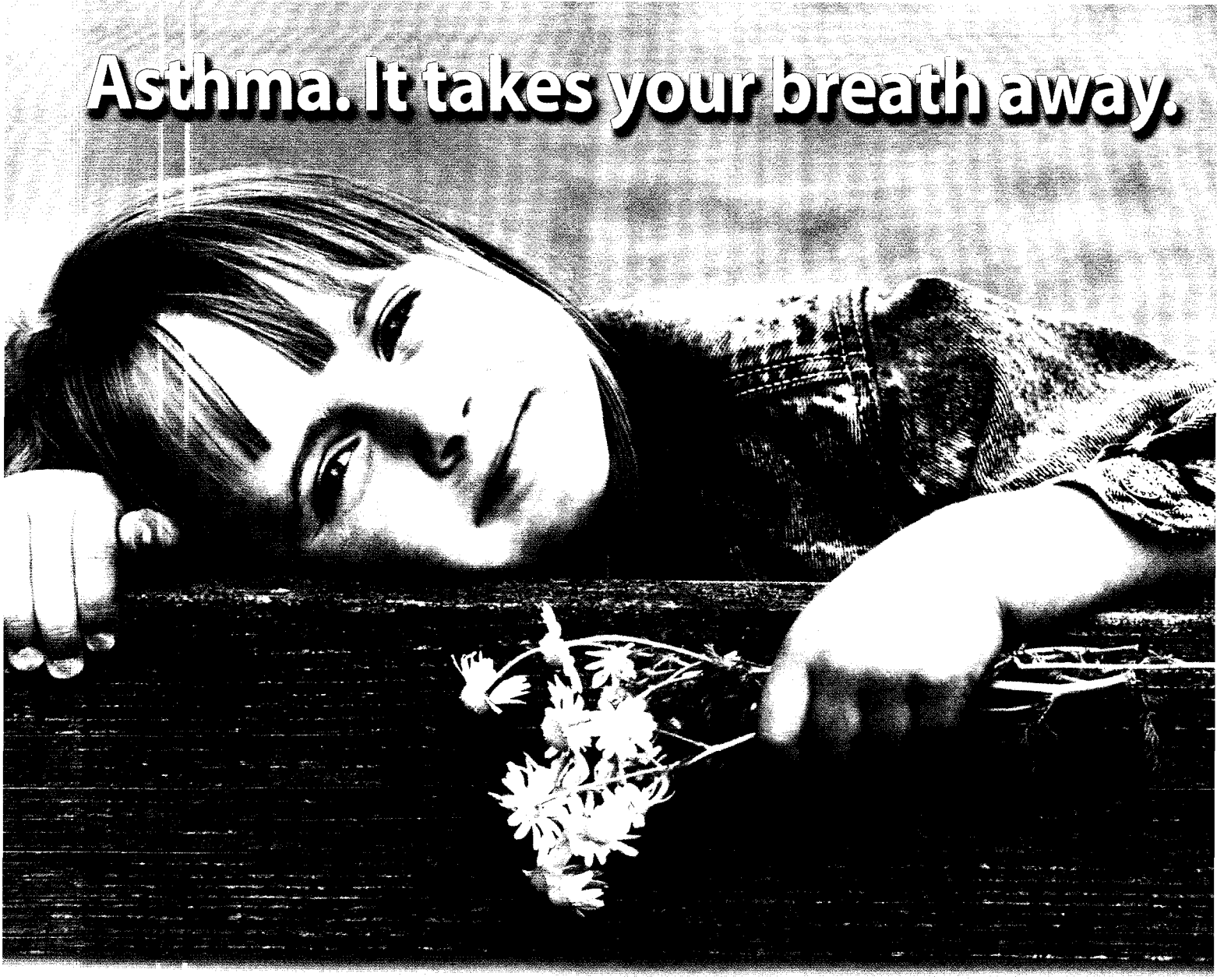

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for its contact-lens solutions and products, reduced its per- unit of production sold and hazardous waste streams by approximately 80 percent between 1991 and 1996; between 1995 and 1997, the company boosted recycling rates by 250 percent. And Silicon Valley is one of the nation's hot spots when it comes to industrial ecology where, according to one estimate, as many as 75 firms are engaged in environmental initiatives that feature some aspect of industrial ecology. "These folks are just not calling what they are doing industrial ecology," remarked Andrea Sumits, an environmental attorney with Palo Alto-based Wise & Shepard, LLP. "A lot of the activity in the electronics industry, particularly in the field of product packaging and design, is being driven by international laws and regulations, especially in Europe," she added.

One of the most promising Silicon Valley efforts involves Quantum, IBM, Seagate and Western Digital — companies involved with manufacturing or selling of hard disk drives for computers. These companies came up with the idea of using identical packaging to make it easier for all of their collective facilities located all over the world to recycle and re-use the same packaging. This vision, unfortunately, may have been naive. In the words of Elizabeth Jimison, environmental management systems program manager for Quantum, "our industry is too global." She noted that the fuel that would have to be burned to transport packaging to Asia would have more than offset any environmental gains associated with recycling.

The four companies have not thrown in the towel. From her perspective, the biggest lesson is that "environmental issues need not be competitive issues. Concerns about waste reduction can allow big corporations to agree to look for solutions that would not otherwise be possible."

While Jimison envisions industrial ecology fostering cooperation among global corporate citizens, others see the embracing of these management concepts as ways of gaining a competitive edge. "In many cases, if you improve environmental quality, you are also improving the bottom line," is the way Suwanna Guantlett, founder of the San Francisco Guantlett Group, sums up the appeal of industrial ecology. "But my first question to those pushing TNS or other brands of industrial ecology is this: How do we roll up our sleeves and get it done? Without environmental cost accounting data, a business does not know if it is profiting or not from efforts to reduce waste or be more energy efficient," she said.

"A company's true environmental costs can be 300 to 400 percent higher than those contained in a facility's accounting ledger because many of these costs are hidden in overhead expenses," observed Guantlett.

A federal Environmental Protection Agency (EPA) effort to create incentives for firms to experiment with industrial ecology is trying to address this lack of data. Started by companies in Los Angeles wishing to develop new green technologies and management practices, EPA's Merit Partnership for Pollution Prevention (MPPP) addresses concerns of environmentalists about ISO 14001, a popular international business management tool that allows companies to be more effective in systematically improving their environmental performance through a self-styled auditing and progress measurement system. While ISO 14001 has won praises for its generation of facts and figures, it has been criticized because "it does not, in any way, shape or form demand compliance with existing regulations," remarked Bonnie Barkett, EPA's Region 9 MPPP manager. "On an intuitive basis, industrial ecology and environmental management systems make sense. But we can't just make public policy based on intuition. Our goal at EPA is to examine California companies adopting ISO 14001 programs with before and after measurements." But instead of allowing these firms to set any performance standards they want, EPA is helping these firms set pilot program standards based on current regulatory standards.

"What we are trying to do is prove the premise behind industrial ecology and allow government to give credit to large companies who are doing the right thing," said Barkett. "It would also allow us to re-direct our limited resources to tackling bigger problems with smaller and medium-sized businesses," firms which don't have the resources to invest in environmental management system approaches.

California's father of industrial ecology is Ernie Lowe, founder of the Oakland-based Indigo Development. Lowe has earned this title in lieu of his work in promoting the concept of industrial ecology to the federal EPA in the early 1990s. But Lowe is not a happy camper when it comes to evaluating California's progress on the environmental front.

"The promises of industrial ecology are not being kept very well," said Lowe, noting that to date most implementation efforts have focused "on a narrow range of activities — primarily cutting waste and finding new ways in which by-products can be used. But these activities alone will not get us near sustainability on the economic or environmental side."

Though some argue that California's lack of heavy industries is the reason why there isn't more activity in the realm of industrial ecology here, Lowe argues that the diversity of California's economy offers unique opportunities, particularly in large-scale agriculture. "We are phasing out the burning of rice straw in the Sacramento Valley. That policy represents an economic development opportunity to produce paper or compost," said Lowe. He listed a plethora of other opportunities, including using the enormous amount of organic wastes generated by the dairy and beef cattle industries, and which contribute to groundwater contamination. The methane in manure could be converted into fuel for the generation of electricity.

But Guantlett lays part of the blame for California's environmental woes on consumers. "Industry — the biggest polluter — is reducing its waste, but consumers are not doing their part. For some reason, many of us don't feel responsible. We would rather point the finger at the oil companies than stop driving our cars," she remarked.

Perhaps industrial ecology can forge partnerships between corporations and ordinary consumers. At least that's what Randy Hayes, RAN's executive director, thinks. "I see our agreement as a template," he said, noting that other corporations are already looking upon it as a model. The RAN agreement's success will depend, in part, upon consumers contributing to the forest reserve fund when they purchase Mitsubishi's Montero LS cars.

Hayes thinks that even the late Ed Abbey would approve. "Abbey said that you should fight for what you want. What we at RAN want is to protect rainforests. I think he would be proud of this agreement as a starting point," Hayes said.

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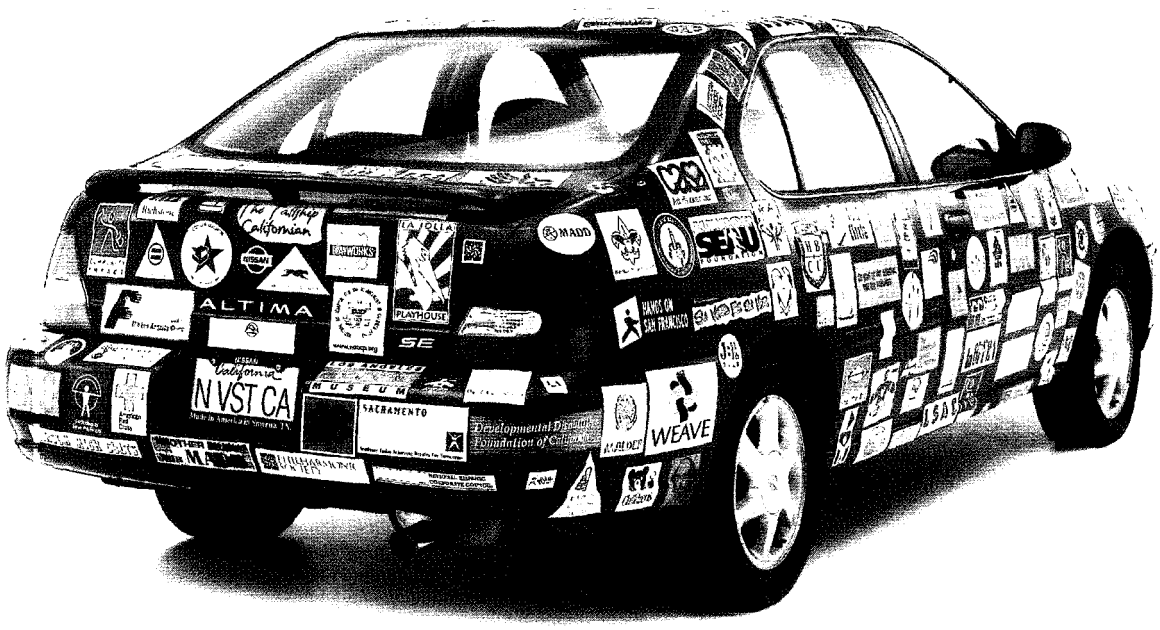

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Yosemite in transition

California's premier national park is the focus of an intense planning effort, one that could provide a blueprint for how the federal government approaches national parks all over the nation.

by Dan Blackburn

"By far the grandest of all the special temples of Nature I was ever permitted to enter ... the sanctum sanctorum of the Sierra."
— John Muir, writing about Yosemite Valley, 1868

In early January 1997, with little warning, flood waters roared through John Muir's sanctum sanctorum, reshaping the course of the Merced River, wiping out campgrounds and sweeping away a large portion of the visitor housing in Yosemite Valley. Some saw the winter flood as a disaster, forcing temporary closure of the park and bringing economic loss to the park's concessionaire and to gateway communities near the park entrances. But others saw the flood as an opportunity.

Since 1980, proponents of park conservation have sought to implement a general management plan for Yosemite National Park. Those efforts have been most notable

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Dan Blackburn is a free-lance writer from Los Angeles and a frequent contributor to California Journal *on the subject of Yosemite National Park. Comments on this article may be e-mailed c/o editor@statenet.com.*

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David Brower

for their almost complete lack of success. But the 1997 flood changed not only the landscape of the park but the landscape of the park's politics. The National Park Service, elected officials and longtime advocates of change in Yosemite all saw an unexpected chance to bring at least some of the 1980 plan into long awaited reality. The result has been the Yosemite Valley Implementation Plan (VIP).

Interior Secretary Bruce Babbitt, speaking with his typical enthusiastic optimism, declares: "This plan will help to eliminate congestion, overcrowding and gridlock in Yosemite National Park while ensuring the preservation of the park's resources for the future. It is a major step on the way to improving the experience of our visitors while protecting the natural beauty and the breathtaking landscape."

Others, however, beg to differ. David Brower, California's icon of environmentalism, observes, "The flood scared them. But I don't think they should try to redo the whole place on the basis of a 100-year flood. When a 100-year flood comes along, you're going to get wet."

The final shape of the Park Service program remains somewhat unclear, and even though the plan has been printed, reviewed and printed again, more changes are likely. Still, the foundation of the program has been built and much of its framework has been hammered together.

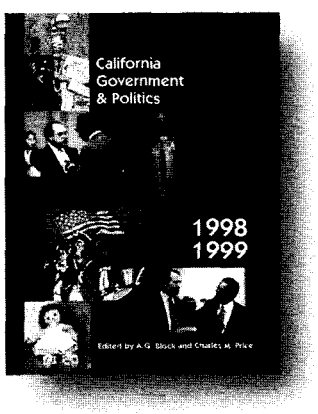
Initially, the Park Service offered three alternatives:

- Alternative 1 provided for no action other than the ongoing project-by-project attempts to implement the 1980 plan.
- Alternative 2 provided for removal of roads, bridges, some structures and a significant reduction of the number of cars allowed into the Valley.
- Alternative 3, which might best be described as a variant of Alternative 2, that would retain some structures and modify other proposed changes.

The Park Service opted for Alternative 2 and is proceeding on that basis.

The current plan would result in restoring 147 acres in the east end of the Valley and eliminating some well-known structural landmarks as well as familiar campgrounds. The historic Stoneman, Ahwahnee and Sugarpine bridges along the Merced River would disappear and the riverbanks would be allowed to return to a more natural condition. The current roads through Cook's, Stoneman and Ahwahnee Meadows would be removed. All of the campgrounds in the Merced River and Tenaya Creek management zones would be removed and other campgrounds relocated or redesigned. The total number of campsites would total 675 — a reduction of 81 sites. There also will be fewer rooms and cabins for overnight guests. However, the historic Ahwahnee Hotel, a national landmark, would be largely unaffected. The Valley stables would be removed, along with some other facilities. The only gas station in the Valley already is gone. In a very real sense, though, these changes are only the tip of the Yosemite glacier.

The key to the entire VIP is the reduction in overall parking spaces and, eventually, the near elimination of automobile traffic from Yosemite Val-



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ley. A total of 2300 parking spaces for day use visitors would be eliminated. Overnight parking for 1340 vehicles would remain at lodging and campground areas. These provisions leave no doubt that the principle target of the VIP is the day use visitor to Yosemite. And it all hinges on the development of a viable mass transportation plan. It is within this arena that the most bitter battles are being fought.

The Park Service proposal calls for building a new parking area in sight of El Capitan at the end of Yosemite Valley near Taft Toe, an area that currently is undeveloped. Brower calls the proposal "outrageous." He adds, "They'll never build a parking lot there as long as I'm alive!" Brower's associate, Garrett De Bell at the Yosemite Guardian Project, is equally critical, saying, "The concept of tearing out existing parking in the developed part of Yosemite Valley only to rebuild it three miles away in a now wild part of the Valley seems to us one of the worst ideas the National Park Service has come up with lately."

But Chip Jenkins, chief of strategic planning in Yosemite, argues that "many people like Mr. Brower have a strong philosophical reaction to building something in the west end of the Valley. I'm asking what the trade-offs are. If some level of parking continues to be needed in Yosemite Valley and, at the same time, we want to restore degraded ecosystems, what's worth the trade-off?"

Yet, Brower and his allies raise a broader question. They ask whether the Park Service is addressing the right issue in its quest to reduce automobile traffic in the Valley. Based on their analysis, the Valley is congested for only 14 peak days out of the year and that those peak periods are when a shuttle system should be mandatory. The rest of the year, they insist, does not have a consistently heavy enough flow of traffic to support a bus system. Nonetheless, declares Brower, "What they have come up with is an almost endless stream of buses." He adds, "Ansel Adams said that when a theater is full you don't sell lap space. Well, they're trying to sell lap space."

With the exception of the possible parking lot construction at Taft Toe, Brower's overall criticisms are not shared by many in the environmental community. Jay Watson of the Wilderness Society says: "I take exception to people who say it is only a two- or three-month problem, during peak periods, with gridlock only for a few days. In a few years, population pressure in California will be exponential, and the peak period may be nine months instead of three months."

No matter where the discussion begins, it always comes around to the question of transportation. In 1992, a number of local, state and federal representatives came together to form the Yosemite Area Regional Transportation Strategy (YARTS). In early August, representatives of Yosemite and the five adjacent counties approved a phased-in system to provide alternative bus transportation to the Valley. By the end of the next decade, the system could be carrying 800,000 visitors annually. Initially, the number will be far smaller — perhaps 75,000-to-80,000 park visitors next summer.

Planners concede that the system will not completely rid the Valley of cars. Indeed, such a goal appears unlikely ever to be achieved. The plan approved in August will have buses running hourly from the park's main entrance at El Portal. Other buses will run four to six times a day from yet to-be-determined additional sites. It remains a work in progress.

The commitment to this transportation program is strong and growing. A representative of the federal Department of Transportation sits in the Yosemite planning office. Babbitt and Transportation Secretary Rodney Slater have signed a memorandum of understanding to work together to address the transportation needs of Yosemite and other national parks. YARTS has received $1.3 million in planning money from the state and federal governments and CalTrans has committed an additional $2.6 million for capital improvements associated with running a regional bus system.

Bruce Babbitt

Brian Huse, Pacific Region Director of the National Parks and Conservation Association, predicts: "What will make YARTS succeed is two things — a quality level of transportation for the visitor where the park experience actually begins on the bus and, second, the use of incentives and education. They need to help the visitor understand there is a better way." One example cited is the new $20 park entrance fee. Under the plan approved in August, day use visitors who choose to ride the bus would pay an entrance fee of only $3.00 per person or $6.00 per family; and there would be no waiting in line at the park entrance station.

The heavy emphasis on day use visitors and their automobiles stems from some crucial statistics. Since 1980, the number of visitors to Yosemite has almost doubled, and it is projected that, at the current rate, 6.2 million people

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will be arriving at Yosemite's gates by the year 2010. As much as two-thirds of those visitors are likely to be day use visitors. That's why park planners like Jenkins insist that steps taken now will pay off in the future. As he puts it: "We're about managing the national park not necessarily for 1999 but for 2049. The problems that exist in Yosemite were created over a long period of time. So, it's important to think out a few years."

Not all of the grumbling involves day use visitors and their cars. The plans to relocate the campgrounds and reduce the number of spaces also have produced protests. At a public meeting in Los Angeles, long-time Yosemite camper Jack Ouzounian pounded a table as he shouted, "Why do you want to spend millions of dollars unnecessarily to push campers out of the way? Man comes first!" Another camper, Richard Rogers of Simi Valley, said, "They're willing to bring in more buses but are reducing the campgrounds for the people who use them." Even *The Sacramento Bee* editorialized: "There should also be hard questions asked about the Park Service's single new strategy toward camping."

But Jenkins says: "We're not trying to drive RV campers out of the Valley. An important component of the park is for people to come here and have a good time, stay overnight and go for a walk in the moonlight. What the plan puts out for debate is where should the campgrounds be located."

Then, there is the housing issue. The Park Service plan calls for removing most of the employee housing from the Valley and relocating it in or around the gateway communities. Views on this subject are decidedly mixed. Keith Walklet, spokesman for Yosemite Concession Services and a highly regarded Yosemite photographer, says: "Some people believe employees should be close to the work place. There are advantages to having staff close by to respond when needed. Last year's flood and the rock falls illustrate that. But we'll work with whatever the Park Service staff decides." In the end, that philosophy of working with the Park Service sums up the view of most who work in the park.

People in Yosemite's gateway communities also have concerns. Almost anything that affects visitation to the park also affects their livelihoods. Jeanne Thomas of Coarsegold worried that "a lot of the businesses will go under because tourist trading is a big portion of their business. It's hard enough when Mother Nature does you in." However, others see the proposed changes as a chance to improve both business and the visitor experience. The National Parks and Conservation Association's Brian Huse says the VIP will give gateway communities the opportunity "to capture visitors with mass transit and accommodations and provide a relief valve to the congestion in the park." The key, of course, will be where YARTS locates its mass transit parking lots.

Meanwhile, a lot more than the fate of Yosemite is riding on how successfully the Yosemite planners implement their program. Says Babbitt, "This is not just a plan that will help restore and enhance one of America's prominent national parks, but also an opportunity to set new standards for preservation and protection of her natural resources that will prevail as a model for other parks to use as we move into the 21st century." NPCA's Brian Huse adds, "The $64,000 question is, will the Park Service be able to succeed at this well enough that it can be applied at other parks that are similarly impacted but less visible." In fact, similar programs already are being considered for the Grand Canyon and for Zion National Park.

Of course, all of this comes with a price tag. Current estimates for the work inside the park are approximately $142 million. On top of that will be the transportation costs, which some have pegged as high as $214 million, although most observers say that estimate is excessive. Fortunately, Congress appears willing to pitch in. With active support from Representatives John Doolittle (R-Roseville) and George Radanovich (R-Fresno), who represent the park area, $176 million was approved to repair the damage caused by the 1997 flooding. Some of that money will be spent on implementing the VIP. An additional $21 million has been earmarked for the transportation system. It seems likely that Congress will up its ante when needed.

The prevailing view is best expressed by Jay Watson of the Wilderness Society. He says: "I don't think the day ever will come when cars are eliminated from Yosemite Valley. But this plan will take great strides toward realizing the original goals set forth in the 1980 general plan." And, speaking from the Amen corner, Mike Paparian of the Sierra Club adds, " The goal is the most important thing — ensuring the park's ecosystems are maintained for this and future generations."

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The EPA v. The Truth About Environmental Tobacco Smoke

U.S. District Judge William Osteen:

"In this case, EPA publicly committed to a conclusion before research had begun...and aggressively utilized [statutory] authority to disseminate findings to establish a de facto regulatory scheme intended to restrict Plaintiffs' products and to influence public opinion.

"In conducting the ETS Risk Assessment, EPA disregarded information and made findings on selective information....

"EPA's conduct raises several concerns besides whether a relative risk of 1.19 is credible evidence supporting a Group A classification. First, with such a weak showing, if even a fraction of Plaintiffs' allegations regarding study selection or methodology is true, EPA cannot show a statistically significant association between ETS and lung cancer.

"The court is faced with the ugly possibility that EPA adopted a methodology for each chapter, without explanation, based on the outcome sought in that chapter."

Carol Browner, Administrator U.S. Environmental Protection Agency:

"The court's decision is based on procedural concerns regarding technical aspects of EPA's study."

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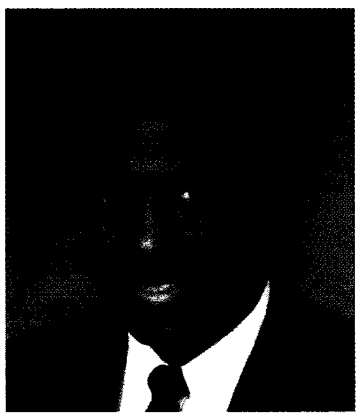
Soapbox opinion

by Donald Murphy

In the Race for Governor the Environment is an "Also Ran"

There is no state in the union as environmentally diverse as California. There is no state with environmental problems as complex as California. The state park system alone has 1.3 million acres; the Department of Fish and Game oversees endangered species management, commercial fishing regulations, hunting and sport fishing, and a myriad of other environmental issues including oil spill prevention. The Department of Forestry and Fire Protection manages the state's magnificent forests, and helps prevent devastating forest fires. The lack of a futuristic transportation plan will soon strangle commerce, and strand commuters.



California's long-lasting water wars have heated up again; there is evidence of asbestos in the hills of El Dorado County, and in some areas, including the Sacramento Valley, air pollution is worse than ever. And yet neither of the candidates for governor has spoken in any significant way to these or other environmental issues. Why not? Because they are hard issues to resolve.

Dan Lungren has attempted to tackle California's water issues in a speech to the Association of Water Agencies. And Gray Davis acknowledges that California's environment is important. But unless these proclamations are accompanied by clear positions, they are just rhetoric.

A discussion about California's environment should be on the same level as education. Surely two of California's most accomplished public servants are capable of tackling more than one issue at a time. What we need are some specifics. I would like the candidates to answer the following questions:

- How do you propose to resolve California's water use conflicts?
- What is your vision for the future of transportation in California?
- What specifically do you propose to make sure California has clean air and water in the future?
- California's State Parks comprise over 1 percent of the land in California. The parks have infrastructure and maintenance backlog needs of nearly $1 billion. How do you propose to ensure that California's investment in its parks is protected?
- What is your plan for managing Califonia's explosive growth?

Often, the competing agenda of special interests leave California's environmental problems unsolved. In the case of the water wars, Cal-Fed forged an exception to the rule by negotiating an agreement on water usage in California. It is notable for its efforts to bring together disparate groups to resolve one of the state's deepest environmental problems. Unlike education, which gets mentioned in every political breath, Cal-Fed has had scant attention from aspirants to the governorship.

And what about the now-swept-under-the-carpet issue of growth management? We have seen the issue politicized in the form of blaming illegal immigration, and a valiant and legitimate attempt in the form of the Natural Communities and Conservation Program (NCCP). However, not a whisper nor a whimper out of our candidates for governor.

Gray Davis does mention the environment as an issue on his web page, but only in the context of good business investments. Dan Lungren says he is pro-growth but does not acknowledge that growth must be managed. In many of his speeches, however, Lungren does assert that there must be a balance between growth and protection of our air, water and other natural resources.

If you believe the premise that our environment embodies the fundamental resource of the state from which all other benefits are derived, then it is baffling that the seekers of the highest office in California have chosen to ignore it. There is no excuse for such an omission. Conservatives can't claim that the environment is a "liberal" issue. Nor can liberals get away with claiming that it does not poll well. Even the Green Party gives short shrift to any serious discussion of environmental issues.

Let me be clear lest our aspirants to the governorship use any lack of clarity to make political hay. By environmental issues I am not talking about those issues that are found in the realm of environmental extremism. Rather I am speaking of things such as the air we breathe, the cleanliness of the water we drink, the care of our parks, the management of our fisheries, growth management, and coastal protection. Nothing is extreme about dealing with these issues.

If there are debates in the waning weeks of the campaign, let us hope the candidates have the courage to offer leadership on environmental issues.

To paraphrase John Kennedy, we should choose to resolve these issues not because they are easy but *because they are hard.*

Donald Murphy was director of the California State Parks and Recreation Department for six years after his appointment by Governor Pete Wilson in 1991. Currently, he is executive director for the Hearst San Simeon Historical Monument Foundation.

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A California Journal Analysis

November 1998 Ballot Propositions

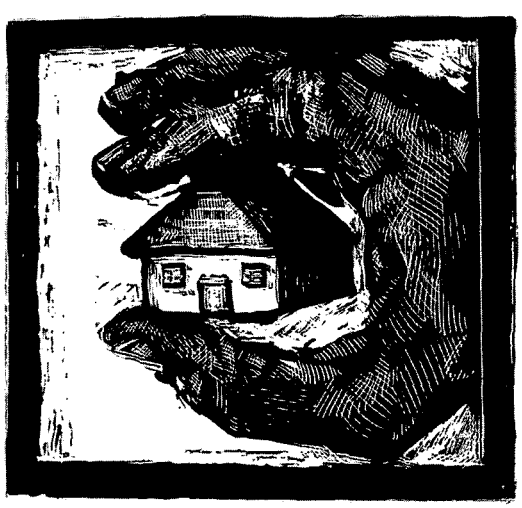
Proposition numbering

Yes, Virginia, there is a Proposition 1. And for the first time since Jerry Brown was governor, it is on the ballot in California. Back in 1983, the Legislature passed a law requiring that ballot measures be numbered consecutively from election to election — beginning in November 1982. The law was designed to keep voters from confusing different ballot propositions that may have had the same ballot number in different years. In the intervening 16 years, 227 propositions have gone before voters. The law was amended in 1996 to turn the numbering system back to "1" every 10 years. Thus, in the coming November 1998 election, Proposition 1 will again appear on a ballot.

Proposition 1

A legislative constitutional amendment that amends the tax-cutting Proposition 13 to allow repair or replacement of environmentally contaminated property or structures without increasing the tax valuation of the original or replacement property.

Background: When voters passed Proposition 13 in 1978, they mandated that the assessed value of a given piece of property could not increase by more than 2 percent each year — until it is sold or transferred to another owner. In the case of a sale, the newly assessed value would be the sale price, which then could only increase 2 percent each year. In case of transfer, the newly assessed value would be based on an appraisal meant to reflect current market values. Over the years, however, voters have passed several exemptions to Proposition 13. For instance, a homeowner over age 55 may pack up the assessed value of his or her current home and move it along with the furniture to a replacement home — even though the market value of the replacement home may be greater than that of the current home. Thus, a qualified homeowner may buy a substantially more expensive home without experiencing an increase in property taxes. Now comes Proposition 1, which extends this kind of transfer exemption to another class of property owner. It was sponsored in the Legislature by Assemblyman Curt Pringle (R-Garden Grove) on behalf of a handful of Westminster city property owners who purchased homes in an Orange County development built on property contaminated in the 1930s when fuel was dumped into a trench in the vicinity. The federal Environmental Protection Agency declared the area a Superfund site in 1992, then destroyed structures in 1995 during the cleanup process.



Proposal: Proposition 1 allows property owners to transfer the assessed value of their current property to a replacement property within their county if the original property was environmentally contaminated. The replacement property could be a repaired or reconstructed structure on the same piece of property, or a similar structure on a different site. The exemption applies only to replacement property acquired, constructed or repaired after January 1, 1995, and within five years of the contaminated property having been sold or transfered. To qualify, all of the following conditions must be met:

- an environmental problem

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renders a residential property unliveable or a commercial property unuseable;

• the current owner was ignorant of the environmental problem when the property was bought;

• a state or federal agency has designated the property as a toxic or environmental hazard, or an environmental cleanup site;

• the property has been substantially damaged or destroyed by cleanup efforts; and,

• a governmental agency stipulates that the property was not made uninhabitable or unuseable by an act or omission of the current owner.

The Legislative Analyst's Office estimates that passage of Proposition 1 will reduce the annual statewide revenue from property taxes by less than $1 million, although it cautions that discovery of additional hazardous, toxic or cleanup sites could drive that amount up.

Arguments for: Pringle argues that the measure brings property tax relief to homeowners who, through no fault of their own, are victims of environmental disasters. According to Pringle, residential neighborhoods have been built on top of previously undiscovered toxic sites, and homeowners who bought in those neighborhoods in good faith often are forced to abandon those homes. They experience a double whammy when buying more expensive replacement homes with much higher property taxes — thus losing the protections previously enjoyed under Proposition 13. Current law already protects homeowners forced to replace homes destroyed by natural disasters such as earthquakes or floods. Proposition 1 extends this same kind of protection to homeowners forced out by a man-made disaster.

Arguments against: Although no official opposition has been filed against Proposition 1, three members of the state Senate voted against it on the floor of the upper house: Senators Pat Johnston (D-Stockton), Quentin Kopp (I-San Francisco) and Diane Watson (D-Los Angeles). Legislative opposition centered on the fact that ACA 22 was a special-interest bill focused on a handful of Orange County constituents and tailored for their needs. As such, it was argued, it ought not to be incorporated into the state Constitution.

— A.G. Block

Proposition 2

A legislative constitutional amendment that authorizes conditional loans of transportation revenues to the general fund and to local entities, designates local transportation funds as trust funds and requires a transportation purpose for their use.

Background: Transportation — in all its varied forms — is critical to California's health and growth. The network of highways, mass transit systems and city and county streets

and roads is bankrolled by federal, state, local and private money. The state chips in from three major sources: the gasoline/diesel tax of 18 cents per gallon; a sales tax on gas and diesel; and fees on motor vehicles — including truck weight fees, vehicle registration fees (the much heralded, much vilified VLF tax), and driver's license fees. Current law restricts the use of gas tax and motor-vehicle fee revenues to specified transportation projects. This money may be loaned to the state general fund, however, to support such non-transportation activities as education, prisons, health and social programs — with the stipulation that the money be repaid, with interest. Counties also are allowed to collect money for transportation purposes (one-quarter cent of the sales tax collected in a county) and deposit the revenue in a local transportation fund. The money is to be used for public transportation in each county.

Proposal: Proposition 2 restricts the conditions under which state transportation funds of all types may be loaned to the general fund. Loans in any fiscal year must be repaid within that fiscal year, except that payment may be delayed up to 30 days after a state budget is enacted for a subsequent fiscal year. Loans that extend over an entire fiscal year may be made only if the governor declares a state of emergency that would result in a significant negative impact on the general fund, or if there is a decrease in general fund revenues from the previous year's level. In other words, if the state goes into another recession. Loans extending beyond a fiscal year must be repaid in full within three fiscal years. Proposition 2 also clarifies that the Legislature may authorize some state transportation funds to be loaned to local agencies for those transportation uses allowed by the state Constitution. All such loans must be repaid with interest within four years after the loans are made. Finally, the measure designates local transportation funds (LTFs) as trust funds and prohibits the funds from being abolished. It further prohibits LTF money from being diverted from specified transportation projects. The Legislative Analyst's Office indicates that Proposition 2 likely would have no fiscal impact on the state or on local jurisdictions.

Arguments for: As legislation (ACA 30), Proposition 2 was backed by a variety of business, labor and municipal groups, including the California League of Cities, California Chamber of Commerce, California Taxpayers' Association, California State Association of Counties, California Transit Association and Amalgamated Transit Union — AFL-CIO. The ballot argument was signed by Assemblyman Kevin Murray (D-Los Angeles), Chamber President Allan Zaremberg and labor official Donald Doser of the AFL-CIO Operating

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Engineers. They argue that more than $2 billion has been siphoned away from transportation purposes to fund other government programs and that Proposition 2 will stop this procedure. If passed, Proposition 2 will improve highway safety and maintenance and relieve traffic congestion by ensuring that money raised for transportation purposes will be used for transportation.

Arguments against: Although no official opposition has materialized against Proposition 2, a few lawmakers voted against ACA 30 in the Legislature, citing the fact that it may hamstring the ability of future governors and legislative leaders to craft a budget in the face of adverse economic conditions.

— A.G. Block

Proposition 3

A legislative initiative modifying the open primary law to allow for separate closed presidential primaries.

Background: Two years ago, California voters upset about the candidate choices they faced struck back at the two major parties by approving Proposition 198. The initiative eliminated the existing primary system in which voters participate only in their party's races, and replaced it with an open, or blanket, primary. Now all voters — those who state and those who decline to state a party affliation — are permitted to participate in the primary, and every candidate is listed on every primary ballot. The open primary was approved despite the fierce opposition of the two major political parties, who challenged it as an infringement on their right of free association. The legal challenge failed and, last June, California held its first open primary. But the law created another problem for the parties. The rules by which the major parties choose their presidential candidates are set at the national level, and the bylaws of both the Democratic and Republican parties expressly forbid convention delegate selection by open primary. Since the major national parties were unwilling to make an exception for California, the leadership in both major political parties rushed a bill through the Legislature exempting the presidential contest from the state law. Governor Pete Wilson signed the bill, but since Proposition 198 requires that any changes be approved by voters, it became an 11th-hour addition to the November ballot. Proposition 198's original sponsors — among them Representative Tom Campbell (R-Campbell) — have, so far, taken no formal stance on the measure.

Proposal: Proposition 3 changes the open primary law to require that closed partisan primaries be held for choosing presidential delegates. As with the old primary system, voting in each party's primary would be limited to those registered in that party. Those who decline to state a party preference could not participate in the presidential primary. The law also requires a separate partisan ballot to accommodate the closed presidential primary.

Arguments For: Proponents include the legislative and political leadership in both the Democratic and Republican parties, as well as Republican Governor Pete Wilson.They contend that, without the change, the major political parties will be forced to choose presidential delegates in closed party conventions or caucuses. As a result, they argue, California voters will be deprived of the opportunity to directly voice their presidential preference through the ballot box. Delegates selected in an open primary, they say, would likely not be seated at a convention, and the actual presidential choice for Californians would instead be made by "backroom politicians."

Arguments Against: There's no organizational opposition to Proposition 3, but state Assemblyman Jack Scott (D-Altadena) wrote the opposing ballot argument. Scott says the new open primary law should be given a chance to work before being tampered with, and that Proposition 3 would "turn back the clock on reform." Opponents maintain the parties do have a mechanism for seating delegates chosen in an open primary and that national party leaders wouldn't follow through on threats to move to a caucus or "backroom" negotiation. They also note that independent voters would be shut out entirely.

— Steve Scott

Proposition 4

An initiative statute banning the use of specified traps and poisons in the hunting of animals.

Background: Animal-rights groups have been successful in recent years in restricting the use of animal traps they consider to be barbaric. In Colorado, Arizona and Massachusetts, voters have banned steel-jawed leghold traps. Similar efforts have cleared legislatures in New Jersey, Florida and

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Rhode Island. In California, though, state lawmakers failed to pass legislation in 1997 by Senator Byron Sher (D-Palo Alto) restricting the use of certain traps and poisons in the hunting of animals. Traps are utilized by both recreational hunters and commercial fur traders who sell animal pelts to clothing manufacturers. Government officials and ranchers also use traps and certain poisons to kill animals that threaten endangered species, flood control structures livestock and public safety. According to the state Department of Fish and Game, over 24,000 animals were trapped during 1996-97 in California, including 17,000 muskrats, which are hunted primarily for their pelts.

Proposal: Proposition 4 prohibits the use of "body-gripping" traps — steel-jawed leghold traps, conibear traps and snares -- for commercial or recreational purposes. It also prohibits the sale of animal furs obtained through the use of illegal traps and the use of leghold traps by anyone, including government officials. Government officials would be allowed to use leghold traps to protect the public from dangerous predators if all other alternatives available prove insufficient. The measure also bans the use of two types of poison — Compound 1080 and sodium cyanide — to kill animals. Violations of these provisions would be punishable by up to one year in jail and/or fines ranging from $300-$2,000. The Legislative Analyst's Office estimates the fiscal impact of Proposition 4 to be from several hundred thousand dollars to several million dollars annually.

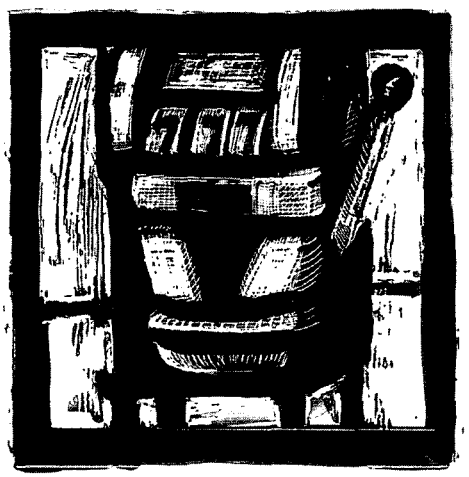
Arguments for: Proposition 4 is sponsored by a coalition of groups known as Protect Pets and Wildlife (ProPAW), including The American Society for the Prevention of Cruelty to Animals, Doris Day Animal League and The Humane Society of the United States. Supporters argue Proposition 4 is necessary because body-gripping traps and poisons are inhumane They point out that such methods can also indiscriminately harm other animals, such as household pets. Supporters also object to killing animals for fashion.

Arguments against: Opponents include the California Farm Bureau, California Cattlemen's Association and the Wildlife Legislative Fund of America. They argue Proposition 4 is a poorly written law by radical extremists that will endanger human health and safety, wildlife and livestock by limiting trapping. Government officials will have to spend more money, opponents insist, to enforce the provisions of Proposition 4 and to employ other means to eliminate harmful or dangerous animals.

— *Noel Brinkerhoff*

Proposition 5

An initiative statute that authorizes certain types of gaming on California's Indian reservations.



Background: It's not the Modoc War, but Proposition 5 — the Indian gaming initiative — could have an equally dramatic impact on the state's tribal landscape, not only on the fortunes of statewide gambling but ultimately upon the well-being of California's 104 tribes. On the road to becoming the costliest ballot initiative in California history, Proposition 5 had, by mid-August, harnessed millions of dollars in a battle that pits the majority of Indian tribes against interests both opposed to — and competing with — casino-style gambling. It is an emotional issue, tinged with the 200-year-old bitter legacy of Indians' treatment at the hands of the American government. But it is also a cold, hard cash issue in which millions — even billions — are at stake.

The seeds of the current controversy date back to November 1984 when Californians created a state lottery by passing Proposition 37. Federal law — which governs Indian reservations — stipulates that Native American tribes may engage in any gaming activity authorized by the state in which they're located. Thus, when California officially sanctioned certain types of gambling, it also allowed that gambling on Indian reservations. Since that day, the battle lines often have been drawn over definitions of various kinds of gambling.

The most current dispute involves slot-like video machines: what kind and how many may be used at tribal casinos. Both the federal and state governments contend that machines currently in use on many reservations are illegal, and they have filed suit to prohibit their use. The tribes contend that the machines are no different than some types employed by the California Lottery, and thus are legal.

Federal law stipulates that such disputes between states and the tribes should be settled by "compacts" negotiated between a state's and tribal governments. But in California, those compacts have been slow to materialize during the nearly eight-year administration of Governor Pete Wilson. Finally, in 1998, Wilson signed what most tribes considered a restrictive gaming compact with the Pala Band of Mission Indians in San Diego County. That compact, which opposing tribes claim applies universally and not merely to the Pala Band, only allows a new type of untried, electronic lottery-style gambling machine — and limits the number to no more than 975 per tribe. Tribes that do not have casinos may lease

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their allotment to other tribes, however. The legal gambling age would be 21.

Tribes not associated with the Pala compact argued that the machines authorized under the agreement would be unpopular with the public and that the number per tribe was artificially low. Thus, they sponsored an initiative that is, in effect, a substitute compact on terms more favorable to the tribes. Tribal sponsors contend it is the only way to preserve the type of video slot-machine gaming that has brought casino tribes tremendous wealth over the past 10 years.

For both sides, the stakes are high. For the roughly 40 tribes running casinos statewide, the initiative is considered a continued ticket out of poverty and a guarantee of economic self-sufficiency. According to tribal statistics, Indian casinos generated $1.4 billion in income in 1997 — some $632 million in profit. By federal law, that profit must be spent on housing, health care, education and "tribal administration."

Regardless of outcome, the ballot initiative has already set spending records. Ignited by their outrage over the Pala Compact, which they view as economic suicide, the initiative's tribal backers set a record for the costliest and speediest effort to qualify an initiative. In less than a month, they spent an estimated $8 million gathering more than 1 million signatures to acquire a spot on the November ballot. The race to the November ballot is proving even more costly, with both sides reportedly spending $1 million a week on media campaigns that began almost immediately after the June primary, an intensity that consultants say is unrivaled for a statewide ballot initiative.

Both sides are reticent to state exactly how much they intend to spend through November, citing "strategic" reasons. But each has vowed to remain competitive with one another and essentially spend "whatever it takes" to get their message to voters.

According to spending reports filed with the Secretary of State for the six months ending June 30, California tribes raised $24.6 million and spent about half that much — $12.76 million — primarily on the campaign to qualify and promote their initiative. Their opponents, the Coalition Against Unregulated Gambling reported taking in nearly $930,000 and spending $1.2 million in the same period. Although it appears the coalition is being vastly outspent by Proposition 5's tribal supporters, the coalition was not officially organized until June and its contributions — and spending — are expected to dramatically increase in the months ahead.

Even if California voters pass the initiative, it will likely wind up in court. On behalf of the initiative's opponents, several former state lawmakers took the initiative to federal appellate court in May, attempting to bounce it off the ballot as unconstitutional. That attempt was rejected and the issue is now pending before the state Supreme Court. All sides consider a prolonged lawsuit inevitable.

Proposal: In its simplest form, the initiative would require the governor to approve any tribal casino proposal. It places no limits on either the number of casinos statewide or the number of gambling machines and tables each Indian casino could operate. It would lower the gambling age to 18 — the same age permitted under the California State Lottery. And it would allow the tribes to continue using the video slot machines that both state and federal governments have deemed illegal. Those machines are currently at the heart of some 30 lawsuits in federal courts statewide contesting their continued use.

Under terms of the initiative, tribal casinos would be self-regulated, governed by a tribal-appointed gaming board that would oversee security, background checks and licensing of employees. There would be no direct state or local involvement in Indian casino operations. State officials would have the right to disagree with a tribal action, but their recommendations would be advisory only, and the ultimate authority would rest with the tribe. The initiative sets up a fund designed to reimburse local governments for their costs associated with casino operations. And it contains language allocating 2 percent of casino net profits to non-gaming tribes. As evidence of their ability to run casinos safely and efficiently, tribes point to their 10 or more years experience operating casinos statewide.

Arguments for: As their name — Californians for Indian Self-Reliance — suggests, the initiative's tribal backers consider the right to run a casino on their terms a moral imperative, part of their status as sovereign nations granted them by the federal government. They also blame Nevada casino owners for bankrolling the opposition, calling the anti-Proposition 5 coalition "a front group" for a "shameful anti-Indian assault by Las Vegas and its California shills."According to supporters, the initiative does not change the way casinos are currently located or operated. Nor, they say, does it change the three layers of federal oversight already existing on Indian casinos. In TV and print ads that began running in June, a tribal spokesperson says the success of existing casinos has meant California's tribes are "pulling our own weight and paying our own way," generating the income to create jobs, improve schools, provide health care and build housing for reservation Indians. Without the initiative, supporters say many tribal members will return to welfare.

Arguments against: The opponents of Proposition 5 support the governor's Pala Compact, which has since been signed by eight other tribes. They argue that Proposition 5 will open the floodgates statewide to a huge expansion of unregulated gambling and its accompanying ills. For the opposition, the stakes are equally high but for more varied reasons. Banded together under the umbrella organization Coalition Against Unregulated Gambling, the opposition is an unlikely group of political bedfellows that includes labor and law enforcement, religious fundamentalists and Las Vegas casinos, city/county officials and California's cardroom and horse-track owners. Although traditionally at odds with one another in other arenas, they're united in their effort to thwart what they consider "unregulated, untaxed, unlimited" gambling. Backed largely by the deep pockets of Las Vegas casino owners, the group has launched a campaign to show it is not against Indians and their right to self-sufficiency but against the spread of unrestricted gambling.

Their opposition is based on many fronts: Labor leaders oppose Proposition 5 because it does not provide worker protections under state law or allow tribal employees to unionize. (The Pala Compact, for instance, includes collective bargaining provisions.) City and county officials oppose it because tribes are not bound by state environmental or health/safety laws, and pay no state income taxes yet impact local jurisdictions who supply police, fire and transportation

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support. Law enforcement believes the initiative leaves tribal casinos vulnerable to an infiltration of "Las Vegas rejects" — from petty criminals to organized crime. Religious groups, who consider gambling a sin, oppose any further expansion of gaming, tribal or otherwise. California cardroom and racetrack owners say they can't compete against Indian casinos that don't have to pay state or federal income taxes or conform to the same state regulations as other businesses. And Las Vegas casinos, who have the deepest pockets and have provided the bulk of contributions thus far, view the initiative as a potential threat to their own casino operations.

—Claudia Buck

Proposition 6

An initiative statute banning the slaughter of horses and the sale of horsemeat for human consumption.

Background: Every year thousands of horses are slaughtered throughout the country for domestic pet food supplies and human consumption in overseas markets such as Japan, France Belgium and Italy, where horsemeat is considered a delicacy. Current law allows for the slaughter of horses in California and the sale of horsemeat, although no horse-slaughtering facilities presently operate in the state. Instead, horses are sold for out-of-state slaughter, including 3,000 last year, according to the state Department of Food and Agriculture. It does not outlaw slaughter and use of horses for pet food.

Proposal: Proposition 6 bans the slaughter of horses for human consumption, as well as the sale of horsemeat and sale of horses for out-of-state slaughter for human consumption. It does not outlaw slaughter and use of horses for pet food.

Arguments for: Supporters include the initiative's sponsors — Sidne Long, Cathleen Doyle and Sherry De Boer, founder of Political Animals and heir to the Long's Drug Store chain — plus the California State Horsemen's Association, Thoroughbred Owners of California, various law-enforcement groups and Hollywood celebrities. Supporters argue that the slaughter of horses is cruel and inhumane and should be banned, especially since the market for horsemeat for human consumption is entirely driven by foreign demand. They also point to the historical relationship of horses as a companion animal as a reason why horses should not be killed for food purposes.

Arguments against: Opponents include the Libertarian Party and individual citizens. They argue that Proposition 6 interferes with an individual's right of personal choice and that the initiative is unnecessary because the issue affects so few people.

— Noel Brinkerhoff

Proposition 7

An initiative statute providing tax credits for purchases or investments that improve air quality.

Background: California suffers from serious air pollution problems despite improvements in emissions technology for autos, industrial equipment and consumer tools, such as lawnmowers. The problem continues, in part, because of the continued use by some individuals and business owners of older machinery and vehicles that belch more smog-producing chemicals — such as nitrogen oxide (NOx) — than do newer models. In addition, many farmers today burn agricultural wastes, such as rice straw, which contribute to air-pollution problems. Still, vehicles produce the most air pollution, with diesel trucks the dirtiest culprit. According to the state Air Resources Board (ARB), diesel trucks — only 2 percent of all California vehicles — are responsible for 17 percent of the state's NOx emissions. To improve the state's air quality, California employs a variety of government programs at the state and local level to reduce NOx and other chemical emissions. Some of these — such as the state's Smog Check II program — mandate owners of automobiles to make repairs at their own expense. Others provide financial incentives to business owners to operate their businesses differently, such as encouraging employees to carpool or use mass transit. This measure is a brainchild of Jerry Meral, executive director of the California Planning and Conservation League, who has become a mini-initiative industry unto himself by getting diverse, sometimes antagonistic, interests to band together to support measures of mutual benefit and for a share of the spoils (see "The Bottom Line," *CJ*, August 1998). His past efforts include an initiative park bond in

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1988 and two subsequent rail bonds.

Proposal: Proposition 7 establishes a program under the ARB to provide tax credits until 2011 to both individuals and businesses for expenditures that reduce air pollution sources. A maximum of $218 million in tax credits could be issued annually for such things as purchasing new buses and commercial trucks, retrofitting older vehicles with newer engines and exhaust systems, and converting or using agricultural waste instead of burning it. The research and development of new technologies to reduce air pollution also would make businesses eligible for tax breaks. The measure also calls for a study to gauge the air quality effectiveness of controlled burns in forests as an alternative to existing forest management practices, and the protection of local public transportation funds from being diverted to other uses. Funding for the program would come from the General Fund depending upon annual state budget allocations. The Legislative Analyst's Office estimates that Proposition 7 will cost from tens of millions to hundreds of millions of dollars each year without affecting the state's Proposition 98 minimum guarantee for education funding. In anticipation of the initiative's passage, the Legislature and governor this year set aside some $218 million in the 1998-99 state budget to cover funding for the measure's tax credits.

Arguments for: Supporters include an assortment of environmental, business, agricultural, transportation and public interest groups, including the Planning and Conservation League, Hewlett Packard Corporation, California Trucking Association and the Kern County Farm Bureau. They argue Proposition 7 is a realistic and effective way to reduce air pollution sources by providing incentives for people to use cleaner transportation, equipment and agricultural methods, instead of requiring changes without cost reimbursements. Upwards of 50,000 tons of pollution and soot could be reduced each year, supporters insist, if the program is implemented.

Arguments against: Opponents include Lenny Goldberg, executive director of the California Tax Reform Association, state Senator Quentin Kopp (I-San Francisco), California Professional Firefighters and the California Association of Professional Scientists. They decry Proposition 7 as "corporate welfare" with millions of tax dollars going into a program that may not work. Opponents insist the effort lacks adequate government regulation and will allow special interests, including multinational corporations, to reap millions without cleaning up the state's polluted air.

— Noel Brinkerhoff

Proposition 8

An initiative statute establishing permanent class-size reduction funding, a state education inspector, local governing councils, teacher credentialing and testing, and pupil suspension for drug possession.

Background: Every poll touching on concerns of California voters reveals that one issue is foremost on the list of the state's "things to do" — improving education for California children. Not surprisingly, Governor Pete Wilson's most popular and successful endeavor after eight years in office was an education program — the effort to reduce class size in early grades. Ostensibly concerned that the Legislature would not continue adequate funding for the program or that it would be jeopardized by an economic downturn, Wilson decided to memorialize class-size reduction through an initiative — and added other education proposals to the mix. Dubbed the "Permanent Class Size Reduction and Educational Accountability (formerly Opportunities) Act of 1998" by supporters — and by critics as a publicity machine for another Wilson run at the presidency — the initiative encompasses a grab bag of education proposals, including teacher competency testing, expulsion for possessing illegal drugs, a system giving considerably more power to parents, administrators and teachers at the school site, and the creation of a state "Office of Chief Inspector of Public Schools." This last provision would add yet another layer of oversight to California's education governance system, which already includes an elected superintendent of public instruction, a cabinet-level education adviser in the office of the governor, a state Board of Education appointed by the governor, boards of education in each of the state's 58 counties, and a myriad of school districts — each with a board of trustees. The Legislative Analyst's Office says the initiative's requirements could cost up to $60 million for new state programs, with potential costs to local school districts "in the high tens of millions of dollars annually" for teacher testing and other provisions.

Proposal: Proposition 8 makes assorted changes in California's system of education governance. It creates a state Office of Chief Inspector of Public Schools, appointed by the governor for a 10-year term to "evaluate school quality." It also establishes a permanent fund for class-size reduction in kindergarten through grade 3. For school districts to be eligible for these funds, each school must establish a governing council of parents and teachers who will consult with the principal and make all curriculum and expenditure decisions for the school. The principal would be responsible for personnel matters, and teachers would have to pass subject-matter examinations for their credentials and for assignment to teach particular subjects; teachers would also be evaluated in part on the basis of pupil performance. The proposal also requires immediate student suspension for

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drug possession.

Arguments for: Supporters say Proposition 8 is "comprehensive education reform" encompassing key elements of previous and current reform efforts. Despite huge increases in state spending for education (a 17 percent increase in the past two years), they say California schools remain in dire straits — a contention that recent standardized testing of California students makes "painfully clear," with the state's students testing below the national average in 28 of 43 categories. Accountability would be ensured, they say, by the chief inspector, whose office would evaluate and rank public schools, and publish the results. Since parents will constitute two-thirds of the membership of the local school-site governing councils, they will become "active participants" in curriculum and spending decisions. In addition to Wilson, the initiative is backed by Attorney General Dan Lungren; Assembly Republican Leader Bill Leonard (R-Rancho Cucamonga); Yvonne Larsen, president of the state Board of Education; Marian Bergeson, Wilson's secretary of the California Office of Child Development and Education; and the California Republican Party.

Arguments against: The initiative is opposed by most major state education groups, from the California Teachers Association and the Federation of Teachers to the Association of California School Administrators, the School Boards Association, the state PTA and the School Employees Association, as well as the California Organization of Police and Sheriffs and the California Tax Reform Association — all under the rubric of "Parents, Teachers, Cops and Taxpayers against Proposition 8." They say the proposal would take limited state education dollars out of the classroom in order to create an "entirely new" education bureaucracy dominated by a chief inspector with "unchecked powers," a 10-year gubernatorial appointment and no legislative confirmation. They also say many of the initiative's provisions — such as zero-tolerance for drug possession — are already in place and that the new school site councils would be "all-powerful" entities that would operate at cross-purposes with new state standards for school performance and accountability. Although supportive of certain aspects such as class-size reduction, they say the initiative creates additional layers of bureaucracy in an already nightmarish state system of education governance.

— Sigrid Bathen

Proposition 9

An initiative forbidding the use of utility ratepayer funds to finance many of the costs of electricity restructuring and promising a 20 percent utility rate reduction.

Background: In 1996, the California Legislature approved what was, by some accounts, the most sweeping utility deregulation since the breakup of AT&T. Passed without a dissenting vote, Assembly Bill 1890 proposed ending the regulated monopolies held by private investor-owned utilities — such as Pacific Gas and Electric and Southern California Edison — and open the power industry to free market competition. Advocates of the change promised that competition would bring about lower electric bills for everyone, much as telecommunications deregulation had done for long-distance phone rates. A key component of the legislation's five-year transition to a competitive market was its provision letting the soon-to-be deregulated monopolies recover up to $28 billion to help pay off their investment in power plants that, as currently structured, can't produce power at competitive prices. These "stranded assets" included the state's two operating nuclear power plants — SCE's San Onofre and PG&E's Diablo Canyon. The

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new law also froze utility rates for five years and allowed for $6 billion in bond financing that would underwrite a 10 percent rate reduction for residential utility customers. Those provisions were concessions to the widely held belief that large industrial and public-sector power users would get most of the financial windfall from competition. The measure attracted a broad coalition of supporter, ranging from business groups to labor and environmental organizations. Its only serious opponents — consumer organizations — were diverted in 1996 by initiative battles on health care and campaign reform. After the November 1996 election, these groups turned their attention to what they considered the shortcomings of AB 1890. The rate freeze, they argued, was phony, since it locked in rates that were roughly 50 percent higher than the national average. The 10 percent rate cut, they claimed, was merely bait and switch, since the bond payments covering the rate cut were merely tacked on to another part of the bill. Most distressing to many was the use of ratepayer dollars to pay off the two nuclear power plants. The Utility Reform Network (TURN), a consumer organization that had originally taken a neutral position on the legislation, became one of its most vociferous opponents. It, along with Consumers Union, joined forces with Harvey Rosenfield, the author of 1998's insurance regulation initiative, Proposition 103. They drafted what became Proposition 9 and in a relatively quick 10 weeks, secured enough signatures to qualify the measure for the November ballot. But it officially won its spot only after surviving a court challenge from prospective opponents, who argued the measure should be thrown out on constitutional grounds.

Proposal: Proposition 9 rewrites two components of the state's electricity deregulation law. It forbids the large private utilities from charging customers for the cost of paying off the two nuclear plants. It also requires utilities to justify using ratepayer funds to pay down non-nuclear facilities, except in the case of most renewable and alternative energy sources. Proposition 9 mandates a 20 percent rate cut beginning in 1999 — 10 percent above that required by AB 1890 — and forbids the use of ratepayer-financed rate reduction bonds to pay for any part of the cut. The rate reduction provisions apply only to customers of the private utility providers and do not affect customers of publicly-owned municipal utility districts. Proposition 9 also extends judicial review of Public Utilities Commission decisions regarding restructuring and reinforces confidentiality of customer records.

Arguments for: Proposition 9 sponsors include Rosenfield, TURN, and Consumers Union, the publishers of Consumer Reports magazine. Other backers include consumer advocate Ralph Nader, Friends of the Earth co-founder David Brower, and the Public Media Center. These proponents argue that, although true competition will eventually result in lower utility rates, the Legislature's deregulation law amounts to corporate welfare bankrolled by ratepayers — a view shared by the conservative Heritage Foundation. Proposition 9 advocates contend the two nuclear plants have already benefited handsomely from ratepayer subsidies, and small consumers shouldn't have to foot any more of the bill for nuclear power. Without the initiative, they argue, it will be more difficult to shut down nuclear plants in the future. Proponents say the rate reduction bonds actually force customers to pay the cost of their own rate reduction. Proposition 9's 20 percent cut, advocates maintain, is more fair, since it is based on the true market price of power, rather than a price padded with the costs of additional subsidies. The $6 billion in rate reduction bonds can be cancelled without cost to taxpayers, they argue, since the state is not the guarantor of the bonds but merely facilitated their sale. Initiative supporters say they hope to raise and spend between $3 million and $5 million in support of their effort.

Arguments against: Opposition to Proposition 9 covers a broad spectrum of business, local government, taxpayer and environmental organizations, as well as all three major investor-owned utilities — PG&E, SCE and San Diego Gas and Electric. Key organizational opponents include the California Chamber of Commerce, the California Teachers Association, the Natural Resources Defense Council, and television consumer reporter David Horowitz. These opponents contend the initiative will have the effect of destroying competition before it is given a chance to work. The utilities argue there will be no way to avoid higher utility rates if shareholders are obliged to pick up the bulk of the stranded asset costs. Passage of Proposition 9 would, the utilities claim, result in expensive litigation, postponing for years the benefits of competition. The cancellation of the already-sold rate reduction bonds will, opponents believe, effectively obligate the state general fund to the tune of $6 billion, threatening funding for schools, jeopardizing the state's bond rating and raising the possibility of a tax increase. Environmental opponents say the initiative's restrictions on recovery of stranded assets could jeopardize continued development of renewable alternative energy sources, such as wind, solar and geothermal power. Though they don't offer a specific budget, Proposition 9 opponents are expected to spend in the tens of millions of dollars to defeat it, with a sizeable chunk coming from the "Big Three" utilities.

— Steve Scott

Coming next month, CJ's analysis of statewide candidates and districts.

Proposition 10

An initiative constitutional amendment and statute that imposes additional taxes on cigarettes and tobacco products in order to fund early childhood development and smoking-prevention programs.

Background: Tobacco and all its related and well-

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publicized ills remains one of politics' most potent "third rails" — touch it and die. Unless, of course, you are touching it for the express purpose of adding yet another lump to the noggin of the well-thumped tobacco industry. Enter Rob Reiner — child of Hollywood and one of its most successful directors ("Stand By Me," "This Is Spinal Tap"). The pitch for Reiner's new project is simple: cigarettes bad, children good. But for Reiner — son of comedian Carl and an actor who played Archie Bunker's son-in-law in the 1970s sitcom "All in the Family," this latest pitch is not being made just to Hollywood execs. He's trying to sell his new script to California voters. While the issue of early childhood brain development has evolved into a personal crusade for Reiner, the drive to put Proposition 10 on the ballot was stoked when legislation similar to the initiative was defeated in the Assembly earlier this year, its fate sealed by "no" votes from moderate Democrats. With Hollywood, tobacco and former Representative Michael Huffington (R-Santa Barbara) all getting involved in campaigns for and against this initiative, millions will be spent. But Proposition 10 can probably hope for no better than a bronze in the lineup for this fall's most costly ballot measures. Proposition 5, which could expand existing tribal gaming, and Proposition 9, the utility deregulation initiative, will command the most financial resources and much of the media attention. But Reiner's star power unleashed against the perennial political bogeymen of the tobacco industry should guarantee that Proposition 10 is not forgotten this election season.

Proposal: Proposition 10 introduces a new state tax on tobacco products, including an additional 50-cents on each pack of cigarettes sold in California. That money would be earmarked for early childhood development programs, such as immunization and education. The new tax would make California's tobacco levy the third-highest in the nation, totaling 87 cents per pack. The tax is expected to generate up to $750 annually for children's immunizations, domestic violence protection and anti-smoking education programs and parent education.

Arguments for: The measure has a list of bipartisan supporters, including Los Angeles Mayor Richard Riordan, Huffington, San Francisco Mayor Willie Brown and U.S. Senator Barbara Boxer. They argue that the initiative will both reduce teenage smoking, by making cigarettes less affordable to youngsters, and boost funding for prenatal care, domestic violence intervention, and other health care and social services not currently available. The new programs will be administered by local commissions, which will work in tandem with county governments to decide how and where the new money is spent.

Arguments against: "No" forces, funded almost exclusively by the tobacco industry, do not want this measure to become a referendum on the popularity of tobacco. Instead, they are picking apart the details of the initiative. They criticize the creation of a new statewide bureaucracy and 58 new county commissions to administer the new programs. They are also charging that since the poor spend a larger percentage of their income on tobacco products per capita, the new tax is a regressive measure that singles out the poor and minorities to pay the lion's share of the new costs.

— Anthony York

Illustrations for the ballot propositions by Sandra Hoover.

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Washington Notes

perspective

by Dana Wilke

Sonny Bono and the Salton Sea

A congressman meets an untimely death. His widow takes his place in the nation's Capitol. Her first task: revive her husband's crusade to restore a dying California desert sea to the jewel it once was.

Sound familiar?

Well it's not the story of the late Sonny Bono and his congresswoman widow, Mary. It's the story of the late Jerry Pettis and his widow, Shirley, who replaced her husband back in the mid-1970s.

Mary Bono's mission to salvage the Salton Sea from the death blows of rising salinity and contaminants is not a new one, nor are her circumstances. Nor is the sort of celebrity status thrust suddenly on a restoration effort that is three decades old but which acquired new verve after congressional leaders felt it a fitting tribute to a cultural icon who never lived to see his sea-saving dream realized.

Nor is the reality that politics quickly slowed an idea that earlier this year had all the momentum of a bullet.

In February, one would have thought Congress suddenly stumbled on the smelly, sweltering sea — a once-thriving resort of nightclubs and waterskiing that is now a fly-infested death trap for fish and migratory birds. A two-hour drive east from San Diego, the sea is a 35-mile-long sinkhole of contaminants that is 20 percent saltier than the ocean; its only sources of water are the fertilizer- and pesticide-choked runoff from industrial farmland and the sewage-laced river flowing from a Mexican border city.

No matter that restoration efforts had come in fits and starts these 30 years. The few months after Sonny Bono's January skiing death shoved the sea's troubles center stage.

In July — demonstrating more urgency in the six months after Bono's funeral than in the three years he was a Palm Springs congressman — the House passed a Mary Bono bill that would clean up the mess. Now, the Senate has hang-ups with the legislation, most having to do with how to pay for the multi-million dollar restoration project once a panel created by Bono's legislation decides what that project will be.

There's a good reason to decide right now where the money will come from: Once the environmental effects are studied, the engineering done and the restoration plan selected — somewhere around 2001 — the death of the man best known for the Sonny and Cher Comedy Hour will have lost some of its poignancy, his widow will no longer be the novelty who appears in *People* magazine, and tales of the sea-resort-turned-ghost town will have stopped filling the nation's papers. By then, it may be easier for budget writers to say "no" to the estimated $350 million it could cost to undertake a restoration project — which could be anything from flushing out the sea with new water to cordoning off a section to capture salt.

Jerry Lewis — the California congressional dean who's done most of the heavy negotiating for Mary Bono — no doubt realizes this. The Redlands Republican wants part of that $350 million to come from a pot of Environmental Protection Agency money over which his House Appropriations subcommittee has authority. Less chance that, years from now, lawmakers no longer moved by Sonny Bono's memory, start pleading federal poverty.

Senator John Chafee (R-Rhode Island), with one ear tuned to California Senators Barbara Boxer and Dianne Feinstein, thinks the EPA budget is plenty tied up paying for the Clean Air and Safe Drinking Water acts. Better, Chafee says, that the money come from the U.S. Interior Department. Then there are the environmentalists, some of whom object to the fast-paced nature of Bono's bill, which circumvents traditional environmental reviews in the interest of speedy construction.

And there's even an Alaska senator, Republican Frank Murkowski, who insists his Energy and Natural Resources Committee ought to have jurisdiction over Bono's bill instead of Chafee's Environment and Public Works Committee.

No matter how inclined Lewis and Chafee might be to work out their differences, they couldn't manage it before Congress broke for its August vacation. While Boxer expressed hope in late July that the Senate would vote on the Salton Sea bill, the vote never materialized.

In the end, it will probably be difficult for the Senate to reject the Sonny Bono Memorial Salton Sea Reclamation Act. Even Jerry Pettis — a self-made millionaire who perished in a 1975 plane crash — never boasted the international dazzle enjoyed by the bill's namesake.

Mary Bono might be able to spare her effort from becoming the mirror-image of Shirley Pettis' — which eventually sputtered and died — if she can win full congressional approval of a restoration plan before the momentum afforded by her husband's death fizzles.

Dana Wilke is a Washington, D.C., correspondent for the San Diego Union-Tribune. *Comments about this column may be e-mailed c/o editor@statenet.com.*

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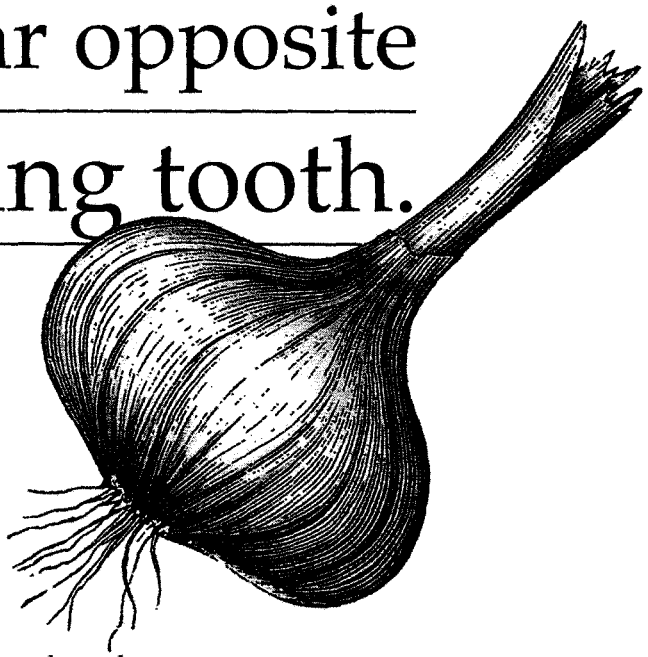
[A brief history of dental protection]

Rub a slice of *onion* on the ear opposite the aching tooth.



Once upon a time, that was the standard treatment for a toothache. And in case that didn't ease the pain, you could also try spitting into a frog's mouth and then asking it to heal the aching tooth.

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On average, five correctional peace officers are assaulted every day in California prisons, often with "shanks" and other killing weapons.

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Gassing is when an inmate throws urine, feces, blood, semen or saliva in an officer's face as he or she walks by a cell door.

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That's finally about to change thanks to a new law authored this year by Assemblyman Rod Pacheco requiring testing of inmates who gas officers.

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